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No. 95-___

In The

Supreme Court of the United States

October Term, 1995

IMAZIO NURSERY, INC.,

Petitioner,

v.

COASTAL NURSERY, JESS RODRIGUES, and DONNA RODRIGUES,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

PETITION FOR A WRIT OF CERTIORARI

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14 pp

QUESTIONS PRESENTED

1. Does the scope of protection afforded by a plant patent pursuant to 35 U.S.C. § 161 (1981) extend to all plants within a new and distinct taxonomical variety of plant or is it limited to a single plant and its genetically identical progeny?

2. Is the proper test for plant patent infringement whether the accused plant is genetically identical to the patented plant or whether the accused plant belongs to the same taxonomical variety, i.e., has the same essential characteristics, as the patented plant?

3. As distinguished from the laws governing utility patents, is independent creation a defense to a claim of plant patent infringement?

LIST OF PARTIES TO THE PROCEEDING PURSUANT TO RULES 14(1)(b) AND 29.6

The names of all parties in the court whose judgment is sought to be reviewed appear in the caption of this Petition for Writ of *Certiorari*. Dania Greenhouses, a partnership, was a defendant in the district court case.

LIST OF PARTIES PURSUANT TO RULE 29.6

Petitioner Imazio Nursery, Inc. does not have any parent or subsidiary companies.

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PETITION FOR WRIT OF CERTIORARI

Imazio Nursery, Inc. ("Imazio") respectfully petitions for a writ of *certiorari* to review the judgment of the United States Court of Appeals for the Federal Circuit.

OPINIONS BELOW

The opinion of the Court of Appeals for the Federal Circuit is reported at 69 F.3d 1560 (Fed. Cir. 1995), and is reproduced beginning at Appendix, page 1 (App. 1). The Order of the district court granting summary judgment to Petitioner on the issue of infringement is reproduced beginning at App. 31. An Order of the district court granting Petitioner's motion for preliminary injunction is reported at 29 U.S.P.Q.2d 1217 (N.D. Cal. 1992) and is reproduced beginning at App. 59.

JURISDICTION

The judgment of the Court of Appeals was entered on November 3, 1995. An Order from the Court of Appeals denying Petitioner's petition for rehearing and declining Petitioner's suggestion for rehearing *in banc* was entered on January 23, 1996. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1) (1988).

STATUTES INVOLVED IN THE CASE

35 U.S.C. § 161 (1981) Patents for Plants

Whoever invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated sports, mutants, hybrids, and newly found seedlings, other than a tuber propagated plant or a plant found in an uncultivated state, may obtain a patent therefor, subject to the conditions and requirements of this title.

The provisions of this title relating to patents for inventions shall apply to patents for plants, except as otherwise provided.

35 U.S.C. § 162 (1981) Description, Claim

No plant patent shall be declared invalid for noncompliance with section 112 of this title if the description is as complete as is reasonably possible.

The claim in the specification shall be in formal terms to the plant shown and described.

35 U.S.C. § 163 (1981) Grant

In the case of a plant patent the grant shall be of the right to exclude others from asexually reproducing[1] the plant or selling or using the plant so reproduced.

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[1] Asexual reproduction refers to reproduction by "grafting, budding, cuttings, layering, division and the like, but not by seeds." S. Rep. No. 315, 71st Cong., 2d Sess. 1 (1930) ("Senate Report"), App. 75.

STATEMENT OF THE CASE

1. Introduction.

This case presents questions of first impression which impact the entire horticultural industry of the United States and all consumers of horticultural products. Specifically, the following questions are presented: (1) whether the Federal Circuit was correct in reversing the district court by holding that the scope of patent protection afforded plants is limited to a single plant and its genetically identical progeny; (2) whether the Federal Circuit was correct in holding that, in contrast to utility patents, independent creation of a plant (which, in this context may include copying), is a defense to plant patent infringement; and (3) whether the Federal Circuit was correct in holding that to establish infringement, a plant patent owner must prove that the accused plant is genetically identical to the patented plant, a requirement which, as a practical matter, may be impossible to satisfy. The holding in this case will define for all time the degree to which new varieties of plants are afforded protection under the applicable federal statutory scheme and concomitantly have a direct economic impact upon the industry in general and will affect the development and availability of new plant varieties to the consuming public.

In reaching its decision, the Federal Circuit explicitly interpreted "variety" in 35 U.S.C. § 161 to mean a single plant, an interpretation which has never before been given to that term. By so doing, the Federal Circuit rendered the phrase "variety of plant" in 35 U.S.C. § 161 meaningless. As a result of its interpretation, the Federal

Circuit held that infringement requires proof that the accused plant was asexually derived from, i.e., genetically identical to, the patented plant and, in contrast to utility patents, that independent creation (including acts of deliberate copying other than by asexual reproduction) is a complete defense to a claim of infringement of a plant patent. For the first time, copying of a patented property is considered lawful conduct. The Federal Circuit's decision diminishes the value of each and every current and future plant patent by narrowing the scope of plant patents and placing an inordinate, if not impossible, burden of proof on a plant patent owner to establish infringement.

2. Petitioner's Plant Patent.

Petitioner is the owner of United States Plant Patent No. 5,336 (the " '336 patent") entitled Heather Named Erica Sunset. App. 3. The sole claim of the '336 patent recites:

> A new variety of **Heather persoluta**, substantially as herein shown and described, particularly characterized by its profuse production of blooms over the entire length of the stem beginning in early December.

App. 3.

3. The Accused Plant.

Respondents asexually reproduce and sell a heather under the trade name Holiday heather. App. 32. The Holiday heather has the same morphological characteristics (internal and external characteristics) and phenological characteristics (blooming cycle) as the Erica Sunset heather. App. 56.

4. The District Court Litigation.

Petitioner sued respondents for plant patent infringement under the Plant Patent Act, 35 U.S.C. §§ 161-164. Federal Jurisdiction was founded on 28 U.S.C. § 1338 (1988). During the litigation, Petitioner sought and was granted an order preliminarily enjoining respondents from selling live Holiday heather plants. App. 3. Petitioner thereafter sought and was granted summary judgment on the issues of infringement. App. 4. A jury trial was held on the issues of validity, willful infringement and damages. The jury found that the patent was not invalid, that respondents had willfully infringed the patent and awarded damages. App. 4. The district court found the case to be exceptional, denied petitioner's motion for enhanced damages, but awarded petitioner its attorneys' fees. App. 4.

In granting petitioner's motion for summary judgment on the issue of infringement, the district court held that independent creation is not a defense to a claim of infringement of a plant patent. App. 52. The district court considered two previously decided cases which discussed, *in dicta*, the issue of infringement of a plant patent. App. 50-51. The district court found that the Fifth Circuit case *Yoder Bros., Inc. v. California-Florida Plant Corp.*, 537 F.2d 1347, 1380 (5th Cir. 1976), *cert. denied*, 429 U.S. 1094, 51 L. Ed. 2d 540, 97 S. Ct. 1108 (1977), supported the proposition that "an accused infringer could escape liability for infringement if he could show that his plant was not actually copied from the patented plant." App. 51. The district court, however, found that the more reasoned rule was stated in *Pan-American Plant Co. v. Matsui*, 433 F. Supp. 693, 694 n.2 (N.D. Cal. 1977), which

held that the Plant Patent " 'Act bars the asexual reproduction and sale of any plant which is the same variety (i.e., has the same essential characteristics) as the patented plant, whether or not the infringing plant was originally cloned from the patented plant.' " App. 50-51.

The district court recognized that it would be next to impossible to rebut a claim of independent creation, since any rebuttal evidence would lie exclusively within the accused infringer's control. App. 51-52. The district court held that infringement of a plant patent is established by showing that the patented and accused plants have the "same essential characteristics." App. 52. The court went on to find that it was undisputed that the patented Erica Sunset heather and the accused Holiday heather have the same morphological characteristics and blooming cycle and therefore have the same essential characteristics. App. 56. On this basis, the district court granted summary judgment to petitioner on the issue of infringement. App. 56.

5. Federal Circuit Opinion.

Respondents appealed only the issue of infringement to the Court of Appeals for the Federal Circuit. Jurisdiction in the Federal Circuit was proper under 28 U.S.C. § 1295(a)(1) (1988). The Federal Circuit reversed, finding that the district court applied an incorrect standard for infringement of a plant patent. App. 26.

In a case of first impression, the Federal Circuit determined that 35 U.S.C. §§ 161 and 163 are *in pari materia* and therefore must be construed together. App. 11. The Federal Circuit further acknowledged that the

meaning of the term "variety" in 35 U.S.C. § 161 was important since plant patents are granted to whoever invents or discovers distinct and new *varieties* of plants. App. 11. However, the Federal Circuit thereafter concluded that the term "variety" in 35 U.S.C. § 161 means a single plant and that the scope of a plant patent is limited to the single plant developed or discovered and its asexually propagated, i.e., genetically identical, progeny. App. 21. On that basis, the Federal Circuit held that infringement of a plant patent requires proof that the allegedly infringing plant is an asexual progeny of, i.e., genetically identical with, the original plant of the variety which is the subject of the patent. App. 24. The Federal Circuit further held that a showing of independent creation, i.e., a showing that the accused plant is not genetically identical to the patented plant, is a defense to a claim of plant patent infringement. App. 25-26.

In reaching its conclusions, the Federal Circuit decided that neither the Plant Patent Act nor the legislative history define "variety." App. 12-13. The Federal Circuit then considered the requirement under 35 U.S.C. § 161 that, to be patentable, a new and distinct variety must be asexually reproduced. App. 13-14. In view of this requirement, the court concluded that a plant patent covers only a single plant and its asexually reproduced progeny and, therefore, that "variety" in Section 161 means a single plant. App. 17.

The Federal Circuit recognized that its interpretation of "variety" in Section 161 was inconsistent with the definition of "variety" in the Plant Variety Protection Act (PVPA) but found that the Plant Patent Act and the PVPA "differ significantly in their purposes" on the basis that

one affords protection as a result of asexual reproduction, while the other protects sexual reproduction. App. 20.

6. Petition for Rehearing and Suggestion for Rehearing en Banc.

Respondents' petition for rehearing and suggestion for rehearing *in banc* was denied on January 23, 1996. App. 29-30.

REASONS FOR GRANTING THE WRIT

This Court should grant *certiorari* to decide: i) the scope of protection afforded by a plant patent; ii) the burden of proof for establishing plant patent infringement; and iii) the availability of independent creation as a defense to a claim of plant patent infringement.

These questions are of enormous importance to plant developers, to the agricultural and horticultural industry and to the public who rely on plant patent protection to encourage the development of new plant varieties. The questions presented affect *all* plant patents and *all* plant patent owners, present and future.

These questions, which are solely of statutory construction, have never been addressed by this Court before, and were addressed for the first time by any appellate court in the opinion below. The Federal Circuit, by misconstruing the meaning of "variety" in 35 U.S.C. § 161, reached an erroneous interpretation of the plant patent statutes to the detriment of all plant patent owners, the plant patent system and the public.

The purpose of the Plant Patent Act is to encourage the development of new plant varieties by giving the developers the exclusive right to asexually propagate their new varieties. The Federal Circuit's ruling undermines this purpose. It allows (indeed invites) patented varieties to be copied under a claim of "independent creation" and asexually reproduced with impunity. By permitting such conduct, the exclusive statutory right to asexually propagate patented varieties is lost. For the first time, intentional copying of a patented property has been determined to be lawful conduct.

A. The Federal Circuit Did Not Follow the Basic Rules of Statutory Construction.

1. "Variety" Should be Given its Ordinary Meaning Which is Not a "Single Plant".

It is a basic rule of statutory construction that, absent a clearly expressed legislative intention to the contrary, words in a statute are to be interpreted according to their ordinary meaning. *American Tobacco Co. v. Patterson*, 456 U.S. 63, 68, 71 L. Ed. 2d 748, 755, 102 S. Ct. 1534 (1982). Moreover, "Congress is presumed to have known the basic rules of statutory construction when enacting legislation." *Quaker State Oil Refining Corp. v. U.S.*, 994 F. 2d 824, 832 (Fed. Cir. 1993), *reh'g, en banc, denied*, 1993 U.S. App. LEXIS 20060 (Fed. Cir. Aug. 2, 1993). It is therefore presumed that, absent a clearly expressed intention to the contrary, Congress, in enacting the Plant Patent Act meant for "variety" to be interpreted according to its ordinary and accepted meaning.

As used in Section 161, "variety" is not an ambiguous term. It is a taxonomical classification[2] below the category "species." "Variety" refers to a group of plants within a species which can be distinguished from other plants of the species by one or more observable characteristics.[3] No accepted definition requires genetic identity

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[2] That "variety" is used as a taxonomical term is confirmed by the legislative history of the Plant Patent Act.

> In order for the variety of plant to be distinct it is not necessary that it be a variety of a new species. A variety of plant may be patented if it is a new and distinct variety either of an existing or of a new species, or if it is an entirely new species of plant.

H.R. Rep. No. 1129, 71st Cong., 2d Sess. 5 (1930), App. 105.

[3] At trial, petitioner's and respondents' botanical experts agreed that the International Code of Nomenclature for Cultivated Plants – 1980 ("International Code") sets forth an accepted definition of a cultivated variety or "cultivar." Fed. Cir. Appendix, 1162. Referring to the horticultural variety as "cultivar," Article 10 of the International Code provides the following definition:

> The international term *cultivar* denotes an assemblage of cultivated plants which is clearly distinguished by any characters (morphological, physiological, cytological, chemical, or others), and which, when reproduced (sexually or asexually), retains its distinguishing characters. The cultivar is the lowest category under which names are recognized in this Code. This term is derived from *cult*ivated *var*iety, or their etymological equivalents in other languages.

Fed. Cir. Appendix, 2427.

Older definitions are consistent with that set forth in the International Code. For example, *HORTUS, A Concise Dictionary of Gardening, General Horticulture and Cultivated Plants in North*

among the plants in a variety.[4] A "single plant" is not and has never been the ordinary meaning of "variety."

2. "Variety of Plant" in Section 161 Must Mean Something Other Than "Single Plant" to Have Meaning.

Congress is presumed to have included the phrase "variety of plant" in Section 161 for a reason and that those words have meaning. *United States v. Menasche*, 348 U.S. 528, 538-539, 99 L. Ed. 615, 624, 75 S. Ct. 513 (1955). ("It is our duty 'to give effect, if possible, to every clause and word of a statute' . . . " (quoting *Montclair v. Ramsdell*, 107 U.S. 147, 152, 27 L. Ed. 431, 433, 2 S. Ct. 391 (1883))). *See also U.S. ex rel. Harlan v. Bacon*, 21 F.3d 209, 212 (8th

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America, The MacMillan Company, New York, 1930, defines "variety" as:

> VARIETY. *A group or class of plants subordinate to a species*. . . . There are two classes or ranges of varieties, – those displaying rather marked differences in nature, and those presenting only small more or less temporary or artificial differences useful to the gardener. The former class is entitled to Latin botanical names, as *Rosa carolina* var. *glandulosa*, whereas the horticultural varieties of roses mostly (and properly) receive vernacular names. . . .

Fed. Cir. Appendix, 2453 (emphasis added).

[4] Note 1 of Article 10 of the International Code specifically addresses the question of whether independently derived plants can be of the same variety.

> Note 1. *Mode of origin is irrelevant* when considering whether two populations belong to the same or to different cultivars.

Fed. Cir. Appendix, 2427 (emphasis added).

Cir. 1994) ("[I]t is a cardinal and long-revered canon of statutory construction that Congress is not to be presumed to have done a vain thing, namely, using superfluous language.")

If Congress had intended the scope of a plant patent to be limited to a single plant and its genetically identical, asexually reproduced progeny, it would be unnecessary for Section 161 to refer to a "distinct and new variety of plant." The statute would simply read "Whoever invents or discovers and asexually reproduces any distinct and new *plant* . . . may obtain a patent therefor . . . " Interpreting "variety" to mean "a single plant" renders the phrase "variety of plant" in Section 161 superfluous. Such a construction must be avoided.

Further, Congress specifically stated that, except as otherwise provided, laws pertaining to patents for inventions apply to patents for plants. 35 U.S.C. § 161. If Congress meant to carve out an exception to the general patent laws permitting independent creation to be a defense to a claim of plant patent infringement, it would have said so. It did not.

3. Congress, in 1930, Could Not Have Intended Proof of Genetic Identity to be a Requisite for Plant Patent Infringement.

The Plant Patent Act must be put into temporal and technological perspective. At the time it was enacted in 1930, there were no tests that could prove conclusively that two plants were genetically identical. Hence, if genetic identity was the intended burden of proof, the

only way that a plant patentee could prove infringement of an accused plant was to show actual derivation, i.e., trace a chain of propagation from the patentee's stock, a virtually impossible burden of proof. Unless the accused infringer admitted derivation or there were eyewitnesses who could and would establish derivation, it would be next to impossible to show genetic identity. There is nothing in the legislative history suggesting any intent to place such an impossible burden on a plant patentee.

Even with today's technology, it is unclear whether the burden of proof established by the Federal Circuit can be met.[5]

4. The Federal Circuit's Decision is Contrary to the Purpose of the Plant Patent Act.

The purpose of the Plant Patent Act is stated succinctly in the legislative history as follows:

> The purpose of the bill is to afford agriculture, so far as practicable, the same opportunity to participate in the benefits of the patent system as has been given industry, and thus assist in placing agriculture on a basis of economic equality with industry. The bill will remove the existing discrimination between plant developers and industrial inventors.

Senate Report, App. 74-75.

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[5] If the only admissible evidence available to establish genetic identity is circumstantial evidence, e.g., evidence that the plants have the same essential characteristics, it would be virtually impossible to rebut a claim of independent creation.

Through the patent system, industrial inventors can protect their inventions. Industrial inventors are rewarded with the right to exclude others from making, using or selling the claimed invention. 35 U.S.C. § 271 (1981 & Supp. 1995). Copying can be enjoined. 35 U.S.C. § 283 (1981). Even independent development by an accused infringer is irrelevant to the enforcement of a utility patent. *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 477-478, 40 L. Ed. 2d 315, 323, 94 S. Ct. 1879 (1974). Contrary to the Congressional intent, the Federal Circuit's construction of the Plant Patent Act establishes, rather than removes, discrimination between plant developers and industrial inventors. By placing a burden on the patent holder to prove genetic identity between the accused and patented plants and permitting a claim of "independent creation" as a defense to plant patent infringement, plant developers are denied crucial protection readily available to industrial inventors.

Plant patents are intended to reward plant developers for their foresight in recognizing valuable new plant varieties and taking steps to preserve those new varieties so that they are not lost. *Yoder Bros.*, 537 F.2d at 1379; Senate Report, App. 80. Such an intent is thwarted if competition can freely copy patented plants under the misnomer "independent creation" and asexually reproduce the copy without regard to the patent.

5. The Requirement for Asexual Reproduction Does Not Alter the Meaning of "Variety".

In concluding that "variety" in Section 161 means a single plant, the Federal Circuit relied on the requirement

that, to be patentable, the new and distinct variety must have been asexually reproduced. There is no question that asexual reproduction is necessary to confirm the stability and reproducibility of distinct characteristics of the new variety and, at the outset, is the only way to guarantee preservation of the new variety.

The legislative history clearly describes the importance of asexual reproduction to preserve new varieties:

> Whether the new variety is a hybrid, mutant or sport, there is never more than one specimen of it produced except through asexual reproduction. For example, without asexual reproduction there would have been but one true McIntosh or Greening apple tree. These varieties of apple could not have been preserved had it not been through human effort in the asexual reproduction of the two original trees. They could not have been reproduced true to type by nature through seedlings. The bill, therefore, proposes to afford through patent protection an incentive to asexually reproduce new varieties. Many varieties of apples equally as valuable as the McIntosh or Greening have undoubtedly been created and disappeared beyond human power of recovery because no attempt was made to asexually reproduce the new varieties. *The present bill by its patent protection proposes to give the necessary incentive to preserve new varieties.*

Senate Report, App. 80 (emphasis added).

The Federal Circuit relied on the above as providing a clearly expressed legislative intention that plant patents are to be limited to a single plant and its asexually

reproduced progeny. App. 14-15. This, however, is a misunderstanding of what is said. This passage focuses only on the need for asexual propagation to preserve the new and distinct variety. *It does not address the situation which occurs after the variety is no longer new, i.e., once it has been preserved by asexual propagation, patented and established as a commercially valuable product.* It also does not address the burden of proof required for establishing infringement of a plant patent.

There is no clearly expressed legislative intent that the requirement for asexual reproduction to preserve a new variety was meant in any way to limit or change the meaning of "variety" or the scope of the plant patent grant with respect to what constitutes infringement.

6. The PVPA Supports a Finding that "Variety" in the Plant Patent Act Should be Interpreted According to its Ordinary Meaning.

The Plant Variety Protection Act ("PVPA") of 1970 provides "patent-like protection to novel varieties of sexually reproduced plants (that is, plants grown from seed) which parallels the protection afforded asexually reproduced plant varieties (that is, varieties reproduced by propagation or grafting) under Chapter 15 of the Patent Act." *Asgrow Seed Co. v. Winterboer*, ___ U.S. ___, 130 L. Ed. 2d 682, 688, 115 S. Ct. 788, 790 (1995).[6]

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[6] In its opinion, the Federal Circuit states that "[p]lants true-to-type, although different in a strict genetic sense, are protectable under the PVPA, "(citing *Diamond v. Chakrabarty*, 447 U.S. 303, 312, 65 L. Ed. 2d 144, 100 S. Ct. 2204 (1980)). App.

Sexually reproduced offspring do not have the same genetic identity as their parents. Accordingly, genetic identity is not and cannot be a requirement for a group of plants to constitute a "variety" under the PVPA. All that is required is that the plants have the same essential and distinctive characteristics.[7]

The Plant Patent Act and the PVPA both use the term "variety." Where Congress uses the same form of statutory language in different statutes having the same general purpose, courts presume that Congress intended the

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21 n.7. This is not completely accurate. Only those varieties which, when sexually reproduced, are stable, i.e., remain "unchanged with regard to the essential and distinctive characteristics of the variety with a reasonable degree of reliability," are protectable under the PVPA. 7 U.S.C. § 2402(a)(4) (Supp. 1995). Varieties which do not meet the requirements for stability, i.e., that reproduce true-to-type less frequently, are clearly not protectable under the PVPA.

[7] The term "variety" is defined in the PVPA at 7 U.S.C. § 2401(a)(9) (Supp. 1995) as follows:

> The term "variety" means a plant grouping within a single botanical taxon of the lowest known rank, that, without regard to whether the conditions for plant variety protection are fully met, can be defined by the expression of the characteristics resulting from a given genotype or combination of genotypes, distinguished from any other plant grouping by the expression of at least one characteristic and considered as a unit with regard to the suitability of the plant grouping for being propagated unchanged. A variety may be represented by seed, transplants, plants, tubers, tissue culture plantlets, and other matter.

This definition is entirely consistent with the definition of cultivated variety (cultivar) in the International Code.

same interpretation to apply in both instances. *See Northcross v. Board of Education*, 412 U.S. 427, 428, 37 L. Ed. 2d 48, 50-51, 93 S. Ct. 2201 (1973). Here, the statutes have the same general purpose, i.e., to provide patent or patent-like protection to novel varieties of plants. *Asgrow*, ___ U.S. ___, 130 L. Ed. 2d at 688, 115 S. Ct. at 790 (1995). Hence, "variety" should be interpreted the same in both statutes.

The Federal Circuit concluded that the two statutes differed significantly in their purposes since they deal with different circumstances, i.e., asexual reproduction versus sexual reproduction. On this basis, the Federal Circuit reasoned that Congress did not intend the term "variety" to have the same meaning in both statutes. App. 20-21. It is not correct to say that the statutes differ in purpose; they differ only in the subject matter covered by the statutes. Moreover, the intent of Congress is clearly expressed in the language of the PVPA.

Section 2541(7) of the PVPA provides that it is an infringement of a plant variety certificate[8] owner's rights to "perform any of the foregoing acts even in instances in which *the novel variety is multiplied* other than sexually, except *in pursuance of a valid United States plant patent*; . . . " 7 U.S.C. § 2541(7) (1985) (emphasis added). That a novel variety which is the subject of a PVPA Certificate of Protection could be multiplied "in pursuance of a valid plant patent" is a recognition that a valid plant patent could coexist with a PVPA Certificate

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[8] A Certificate of Protection is the official grant under the PVPA.

of Protection *on the same variety*. See 1 Donald S. Chisum, Patents § 1.05[2][d], at 1-282.6 (1995). This could only be true if "variety" is interpreted in the same manner in both statutes.

Under the Federal Circuit's interpretation, a plant patent and a PVPA certificate could not coexist on the same "variety" because that term means something different under each statute. According to the Federal Circuit, each of the many genetically dissimilar plants (possibly millions) in a "variety" protected under the PVPA would constitute a separate and individual "variety" under the Plant Patent Act. Hence, many plant patents (possibly millions) would be necessary to cover, under the Plant Patent Act, what *one* Certificate of Protection covers under the PVPA. Such a result is illogical.

B. The Questions Presented Are Important and Deserving of Review.

The questions before the Court are of enormous importance to plant developers, the agriculture industry and the public. We are at the threshold of an era wherein the creation of important new plant varieties, e.g., by special breeding techniques, genetic manipulation, etc., will be commonplace. New varieties of plants exhibiting higher yields, improved disease resistance, increased production of particular chemicals useful, for example, in medicine and the like are being and will continue to be developed. This is precisely the type of plant development the Plant Patent Act was intended to encourage by rewarding the developer of a new variety the exclusive right to asexually propagate that variety.

The Federal Circuit's ruling diminishes that reward. If patented varieties can be copied (other than by asexual reproduction) and asexually reproduced, without concern for infringement, a plant patent does not provide the *exclusive* right to asexually propagate a new variety. The value of a plant patent now depends on the ease with which the patented variety can be duplicated. Such a result does not provide the incentive to develop new plant varieties and jeopardizes the entire plant patent system. Moreover, it is contrary to the spirit of Article I, § 8, of the U.S. Constitution which establishes the basis for granting patents to inventors and discoverers.

The concerns resulting from the Federal Circuit's decision are real and important. Every plant patent infringement action now pending or brought, or even considered in the future will be affected by this Federal Circuit decision. The questions presented here are the most significant questions ever raised about the plant patent laws. They are deserving of review by this Court.

CONCLUSION

The Petition for a Writ of *Certiorari* should be granted.

Dated: April 22, 1996

Respectfully submitted,

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APPENDIX A

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

94-1450

IMAZIO NURSERY, INC.,

Plaintiff-Appellee,

v.

DANIA GREENHOUSES,

Defendant,

and

COASTAL NURSERY,
JESS RODRIGUES, and DONNA RODRIGUES,

Defendants-Appellants.

David A. Dillard, Christie, Parker & Hale, of Pasadena, California, argued for plaintiff-appellee. With him on the brief were *Vincent G. Gioia* and *John D. Carpenter*.

Philip C. Swain, Kirkland & Ellis, of Los Angeles, California, argued for defendants-appellants. With him on the brief was *Jay I. Alexander*, Kirkland & Ellis, of Washington, D.C.

William L. LaFuze, Vinson & Elkins, L.L.P., of Houston, Texas, was on the brief for Amicus Curiae, Greenleaf Nursery Company.

Appealed from: U.S. District Court for the
Northern District of California

Judge Williams

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

94-1450

IMAZIO NURSERY, INC.,

Plaintiff-Appellee,

v.

DANIA GREENHOUSES,

Defendant,

and

COASTAL NURSERY,
JESS RODRIGUES, and DONNA RODRIGUES,

Defendants-Appellants.

DECIDED: November 3, 1995

Before RICH, MAYER, and LOURIE, *Circuit Judges.*

RICH, *Circuit Judge.*

Coastal Nursery, Jess Rodrigues, and Donna Rodrigues (collectively, Coastal) appeal from the judgment of the United States District Court for the Northern District of California granting summary judgment of infringement of U.S. Plant Patent No. 5,336 (the '336 patent). *Imazio Nursery, Inc. v. Dania Greenhouse,* No. 92-20755(SW) (N.D. Cal. September 2, 1993). We reverse the holding of infringement, vacate the finding of willfulness and the award of attorney fees, and remand.

I. BACKGROUND

A. The Patent

Bruno Imazio, the owner of Imazio Nursery, Inc. (Imazio), is the inventor of the '336 patent which is entitled "Heather Named Erica Sunset." According to the '336 patent, Mr. Imazio discovered Erica Sunset heather in 1978 "as a seedling of unknown pollen parentage growing in a cultivated field of **Erica persoluta**, the variety believed to be the seed parent, where it was noticed because of its early blooming and particularly because of its reaching full bloom, from base to tip, more than a month before the parent plant begins to bloom." It was the early blooming of the Erica Sunset, during the Christmas and Valentine's Day seasons, that distinguished the Erica Sunset from other known varieties.

The sole claim of the '336 patent recites:

> A new variety of **Heather persoluta**, substantially as herein shown and described, particularly characterized by its profuse production of blooms over the entire length of the stem beginning in early December.

B. The Litigation

In April 1992, Imazio sued Coastal for patent infringement alleging that Coastal's "Holiday Heather" infringed the '336 patent. In December 1992, the trial court entered an order granting Imazio's motion for preliminary injunction. *Imazio Nursery, Inc. v. Dania Greenhouse*, 29 USPQ2d 1217 (N.D. Cal. 1992). The trial court enjoined Coastal from "selling, shipping, giving away,

trading or otherwise disposing of potted heather plants of the variety sold by [Coastal] as Holiday Heather." Coastal was not enjoined from selling cut flowers. *Id.* at 1222. Coastal appealed the entry of the preliminary injunction to this court. However, in an order dated April 22, 1993, the appeal was dismissed for failure to file a brief. *Imazio Nursery, Inc. v. Dania Greenhouses,* No. 93-1193 (Fed. Cir. Apr. 22, 1993).

On September 2, 1993 the district court granted Imazio's motion for summary judgment of infringement, denied its summary judgment motion on the issue of validity, and denied its motion for a permanent injunction.

The issues of patent validity, willful infringement, and damages were subsequently tried to a jury. The jury found the '336 patent not to have been proven invalid, found Coastal's infringement to have been willful, and determined actual damages of $101,279.20. The district court entered final judgment on June 29, 1994, finding the case to be exceptional within the meaning of 35 U.S.C. § 285 (1988) and awarding attorney fees of $363,140.59 to Imazio for a total award of $464,419.79 plus pre-judgment interest. Coastal appealed to this court from the grant of summary judgment of plant patent infringement. We have jurisdiction under 28 U.S.C. § 1295(a)(1) (1988).

II. SUMMARY JUDGMENT

Rule 56(c) of the Federal Rules of Civil Procedure provides that summary judgment is appropriate

> if the pleadings, depositions, answers to interrogatories, and admissions on file, together with

> the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.

Fed. R. Civ. P. 56(c). "In ruling on a motion for summary judgment, the district court is required to view the evidence in a light most favorable to the nonmoving party and draw all reasonable inferences in favor of the nonmoving party." *C.R. Bard. Inc. v. Advanced Cardiovascular Sys., Inc.*, 911 F.2d 670, 672, 15 USPQ2d 1540, 1542 (Fed. Cir. 1990).

We review *de novo* a district court's grant of summary judgment. *Conroy v. Reebok Int'l Ltd.*, 14 F.3d 1570, 1575, 29 USPQ2d 1373, 1377 (Fed. Cir. 1994). A district court's decision on summary judgment "must be overturned if the court engaged in a faulty analysis in applying the law to the facts and a correct application of the law to those facts might bring a different result." *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 164, 225 USPQ 34, 38 (Fed. Cir. 1985).

III. PLANT PATENTS

At least as early as 1892, legislation was proposed to grant patent rights for plant-related inventions. H.R. Rep. No. 5435, 52d Cong., 1st Sess. (1892). Plant patent legislation was supported by such prominent individuals as Thomas Edison who stated that "[n]othing that Congress could do to help farming would be of greater value and permanence than to give to the plant breeder the same status as the mechanical and chemical inventors now have through the law." S. Rep. No. 315, 71st Cong., 2d

Sess. 3 (1930) (Senate Report). It was also supported by Luther Burbank, a leading plant breeder of the day,[1] whose widow stated that her late husband "said repeatedly that until Government made some such provision [for plant patent protection] the incentive to create work with plants was slight and independent research and breeding would be discouraged to the great detriment of horticulture." H.R. Rep. No. 1129, 71st Cong., 2d Sess. 4 (1930) (House Report).

The Townsend-Purnell Plant Patent Act was passed by Congress on May 13, 1930 and was signed by President Hoover on May 23, 1930. It was the first legislation anywhere in the world to grant patent rights to plant breeders[2] and was enacted to "afford agriculture, so far as practicable, the same opportunity to participate in the benefits of the patent system as has been given to industry, and thus assist in placing agriculture on a basis of economic equality with industry." Senate Report at 3.

Before enactment of the Plant Patent Act, two factors were thought to prevent plants from being patentable subject matter. The first was the belief that plants, even those bred by man, were products of nature and therefore not subject to patent protection. The second factor was

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[1] Luther Burbank experimented with thousands of plant varieties and developed many new ones, including new varieties of prunes, plums, raspberries, blackberries, apples, peaches, and nectarines. Besides the Burbank potato, he produced new tomato, corn, squash, pea, and asparagus forms, a spineless cactus useful in cattle feeding, and many new flowers, especially lilies and the famous Shasta daisy. *The New Columbia Encyclopedia* 396 (1975).

[2] Robert S. Allyn, *The First Plant Patents* 10 (1934).

that plants were not considered amenable to the "written description" requirement of the predecessor of 35 U.S.C. § 112, first paragraph.[3] In promulgating the Plant Patent Act, Congress addressed both concerns. It explained that the work of the plant breeder "in aid of nature" was subject to patent protection. Additionally, the written description requirement, applicable to utility patents, was relaxed in favor of a "description . . . as complete as is reasonably possible." 35 U.S.C. § 162 (1988); *see also Diamond v. Chakrabarty*, 447 U.S. 303, 312 (1980); *Ex Parte Hibberd*, 227 USPQ 443 (PTO Bd. App. & Int. 1985).

As originally enacted, the provisions for plant patent protection were made as amendments to the general patent law. Specifically, section 4884 of the Revised Statutes was amended to recite:

> Every patent shall contain . . . a grant to the patentee . . . of the exclusive right to make, use, and vend the invention or discovery (*including in the case of a plant patent the exclusive right to asexually reproduce the plant).*

Rev. Stat. § 4884, *as amended by* Act of May 23, 1930, ch. 312, § 1, 46 Stat. 376 (current version at 35 U.S.C. § 163 (1988)) (emphasis added).

Similarly, section 4886 of the Revised Statutes was amended to recite:

> Any person who has invented or discovered any new and useful art, machine . . . *or who has*

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[3] Section 112 states in part that "[t]he specification shall contain a written description of the invention, and of the manner and process of making and using it." 35 U.S.C. § 112 (1988).

> *invented or discovered and asexually reproduced any distinct and new variety of plant other than a tuber-propagated plant,* . . . may . . . obtain a patent therefor.

Rev. Stat. § 4884, *as amended by* Act of May 23, 1930, ch. 312, § 1, 46 Stat. 376 (current version split between 35 U.S.C. §§ 101 and 161 (1988)) (emphasis added).

With the promulgation of the 1952 Patent Act, the plant patent provisions were included as a separate chapter of the statute. Act of July 19, 1952, ch. 950, 66 Stat. 804 (current plant patent provisions at 35 U.S.C. §§ 161-164 (1988)). Additionally, as was done for utility patents in 35 U.S.C. § 154(a)(1) (1988), the plant patent grant was changed from the "exclusive right" to the "right to exclude" following court decisions explaining the nature of the right conferred by a patent. 35 U.S.C. § 163 (1988); *see Crown Die & Tool Co. v. Nye Tool & Mach. Works*, 261 U.S. 24, 34 (1923) ("All that the Government grants and protects is the power to exclude others from making, using or vending during the grant."); P.J. Federico, *Commentary on the New Patent Act*, 35 U.S.C.A. 1, 40-41 (1954), *reprinted in* 75 J. Pat. & Trademark Off. Soc'y 161, 202 (1993); Giles S. Rich, Address to the New York Patent Law Association Meeting of Nov. 6, 1952, 14-15 ("A change was made, however, in Section 163, where the plant patent right is expressed as the right to exclude.").

It should be noted that although the plant patent provisions were separated from the utility patent provisions with the enactment of the 1952 Patent Act, the statute explicitly states that "[t]he provisions of this title relating to patents for inventions shall apply to patents for plants, except as otherwise provided." 35 U.S.C. § 161.

Thus, section 161 "engrafts the Plant Patent Act onto the basic patent law, which requires us to apply thereto all the rules, regulations, and provisions of the basic patent law," except as otherwise provided.[4] *In re LeGrice*, 301 F.2d 929, 933, 133 USPQ 365, 369 (CCPA 1962); 37 C.F.R. § 1.161 (1994).

The specification of a plant patent application must contain as full and complete a disclosure as possible of the plant and the characteristics thereof that distinguish it from related known varieties and must particularly point out where and in what manner the variety of plant has been asexually reproduced. 37 C.F.R. § 1.163(a). Only a single claim is permitted in a plant patent. 37 C.F.R. § 1.164; *Manual of Patent Examining Procedure (MPEP)* § 1605 (Rev. 14, Nov. 1992) ("A plant patent is granted only on the entire plant. It therefore follows that only one claim is necessary and only one is permitted."); *Kim Bros. v. Hagler*, 167 F. Supp. 665, 120 USPQ 210 (S.D. Cal. 1958).

The only amendment to the plant patent provisions since enactment of the 1952 Patent Act came in 1954 when section 161 was amended to preclude patent protection for plants found in an uncultivated state, thereby broadening the statute to include plants found in a cultivated state and subsequently asexually reproduced. Act of Sept. 3, 1954, Pub. L. No. 83-775, 68 Stat. 1190.

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[4] For instance, by the express provision of 35 U.S.C. § 162 (1988), a plant patent cannot be declared invalid for noncompliance with 35 U.S.C. § 112 if its description "is as complete as is reasonably possible."

Currently, chapter 15 of title 35 of the United States Code includes the following provisions:

35 U.S.C. § 161, entitled "Patents for Plants," states:

> Whoever invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated spores, mutants, hybrids, and newly found seedlings, other than a tuber propagated plant or a plant found in an uncultivated state, may obtain a patent therefor.
>
> The provisions of this title relating to patents for inventions shall apply to patents for plants, except as otherwise provided.

35 U.S.C. § 163, entitled "Grant," states:

> In the case of a plant patent the grant shall be of the right to exclude others from asexually reproducing the plant or selling or using the plant so reproduced.

IV. STATUTORY CONSTRUCTION

A. Standard of Review

We review issues of statutory interpretation under a *de novo* standard of review. *Kane v. United States*, 43 F.3d 1446, 1448 (Fed. Cir. 1994). We need not defer to the trial court. *Chaparral Steel Co. v. United States*, 901 F.2d 1097, 1100, 8 Fed. Cir. (T) 101, 105 (1990). When interpreting statutes, a court looks to the language of the statute and construes it according to the traditional tools of statutory construction, including certain well-known canons of statutory construction. *Markman v. Westview*, 52 F.3d 967, 987, 34 USPQ2d 1321, 1336 (Fed. Cir. 1995) (in banc)

(citing *United States v. Grimberg*, 702 F.2d 1362, 1365 (Fed. Cir. 1983) (in banc)), *cert. granted*, 132 L. Ed. 2d 921 (1995).

B. Scope of a Plant Patent

We first consider the scope of protection of plant patents. We begin by interpreting the relevant statutory provisions. Statutes *in pari materia* are to be construed together. *Selfway, Inc. v. Travelers Petroleum, Inc.*, 579 F.2d 75, 80, 198 USPQ 271, 275 (CCPA 1978); *see* 2 Sutherland & Lewis, Statutory Construction § 344 (1904) ("It is an elementary rule of construction that all the parts of an act relating to the same subject should be considered together, and not each by itself.").

1. The meaning of the term "variety"

The parties dispute the meaning of the term "variety" in section 161. The meaning of that term may inform the scope of protection of plant patents inasmuch as such patents are granted to "[w]hoever invents or discovers and asexually reproduces any distinct and new *variety* of plant." 35 U.S.C. § 161 (emphasis added). Imazio argues that in providing plant patent protection for "any distinct and new variety of plant," it was intended that a plant patent cover "all plants of that new and distinct variety, i.e., all plants having the same essential and distinctive characteristics." Thus, argues Imazio, "variety" should be construed in its technical, taxonomical sense and should be interpreted to encompass more than just clones of a single plant. Coastal, on the other hand, contends that "variety" should be construed in the vernacular sense as

"something different from others of the same general kind." Coastal maintains that by use of the term "variety" Congress did not intend to afford plant patent protection to a range of plants but intended only to protect a single plant.

The Plant Patent Act does not define "variety." However, the legislative history of the Plant Patent Act states:

> new and distinct varieties fall into three classes – sports, mutants, and hybrids. In the first class of cases, the sports, the new and distinct variety results from bud variation and not seed variation. A plant or portion of a plant may suddenly assume an appearance or character distinct from that which normally characterizes the variety or species. In the second class of cases, the mutants, the new and distinct variety results from seedling variation by self pollenization of species. In the third class of cases, the hybrids, the new and distinct variety results from seedlings of cross pollenization of two species, two varieties, or a species and a variety.

Senate Report at 3.

Thus, upon passage of the Plant Patent Act, a patentable variety could be either a sport, mutant, or hybrid. In addition, by amendment in 1954, Congress added another class of plants, newly found seedlings, subject to the exception that such seedlings found in an uncultivated state cannot be patented. Act of Sept. 3, 1954, Pub. L. No. 83-775, 68 Stat. 1190; *see Ex parte Moore*, 115 USPQ 145 (Pat. Off. Bd. App. 1957) (Section 161, as amended September 3, 1954, was intended to include "cultivated sports, mutants, hybrids, and newly found seedlings.").

Section 161 also requires that a patentable variety be new. Additionally, the variety must be distinct. As to this requirement, the legislative history states that

> [i]n order for the new variety to be distinct it must have characteristics clearly distinguishable from those of existing varieties. . . . The characteristics that may distinguish a new variety would include, among others, those of habit; immunity from disease; resistance to cold, drought, heat, wind, or soil conditions; color of flower, leaf, fruit, or stems; flavor; productivity, including ever-bearing qualities in case of fruits; storage qualities; perfume; form; and ease of asexual reproduction. Within any one of the above or other classes of characteristics the differences which would suffice to make the variety a distinct variety, will necessarily be differences of degree.

Senate Report at 4.

The legislative history is clear that Congress intended that distinct and new cultivated sports, mutants, hybrids, and newly found seedlings be entitled to plant patent protection.

Although the legislative history does not answer the question of what "variety" means in terms of whether a single plant or a range of plants is protected by a plant patent, in addition to being distinct and new, a patentable plant must also be asexually reproduced. 35 U.S.C. § 161; *see Yoder Bros., Inc. v. California-Florida Plant Corp.*, 537 F.2d 1347, 1377, 193 USPQ 264, 291 (5th Cir. 1976) ("For plant patents . . . the additional requirement of asexual reproduction is introduced."), *cert. denied*, 429 U.S. 1094 (1977); Senate Report at 5 ("It is not only necessary that

the new and distinct variety of plant shall have been invented or discovered, but it is also necessary that it shall have been asexually reproduced prior to the application for patent."). As discussed below, this additional requirement informs the scope of protection of plant patents and hence directs the meaning of "variety" in § 161.

2. The significance of the asexual reproduction requirement

The legislative history defines asexual reproduction as reproduction by "grafting, budding, cuttings, layering, division, and the like, but not by seeds." Senate Report at 1; *see MPEP* § 1601.

The legislative history further states that

> [w]hether the new variety is a sport, mutant, or hybrid, the patent right granted is a right to propagate the new variety by asexual reproduction.[5] It does not include the right to propagate by seeds. This limitation in the right granted recognizes a practical situation and *greatly narrows the scope of the bill*. Whether the new variety is a hybrid, mutant or sport, there is *never more than one specimen of it produced except through asexual reproduction*. For example, without asexual reproduction there would have been *but one* true McIntosh or Greening apple tree. These *varieties* of apples could not have been preserved had it not been through human effort in

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[5] As noted above, when the 1952 Patent Act was enacted, the right to asexually reproduce was amended to the right to exclude others from asexually reproducing. No "right to propagate" is granted by the patent. *See* 35 U.S.C. § 163.

> the asexual reproduction of the two original trees. They could not have been reproduced true to the type by nature through seedlings.

Senate Report at 4 (emphasis added) (footnote added).

The legislative history additionally sets forth that plants sought to be patented

> must be asexually reproduced in order to have their identity preserved. This is necessary since seedlings either of chance or self-pollenization from any of these would not preserve the character of the individual.

Senate Report at 3.

It is clear from the legislative history that as a result of the asexual reproduction requirement, only a single plant, i.e., reproduction from one original specimen in the words of Congress, is protected by a plant patent. At the time of enactment, Congress recognized that the asexual reproduction prerequisite greatly narrowed the scope of protection of plant patents but found such a limitation necessary to ensure that the characteristics of the plant to be patented were maintained. Additionally, it has since been recognized that as intimated by Congress, asexual reproduction confirms the existence of a new variety by separating variations resulting from fluctuations in environmental conditions from true plant variations. Kenneth J. Burchfiel, *Biotechnology and the Federal Circuit* 407 (1995); *Dunn v. Ragin*, 50 USPQ 472, 475 (Pat. Off. Bd. Interf. Ex'rs 1941). The Supreme Court also recognized the significance of the asexual reproduction requirement of the Plant Patent Act. In *Diamond v. Chakrabarty*, the Court indicated that asexual reproduction was required

in the Plant Patent Act because it was believed that new varieties could not be reproduced true-to-type through seed. 447 U.S. at 312.

Though there is a paucity of case law on this point,[6] the requirement and effect of asexual reproduction as a prerequisite to plant patent protection has been recognized by the courts and the Patent Office. *Yoder*, 537 F.2d at 1380, 193 USPQ at 293 ("Asexual reproduction is the heart of the present plant patent system: the whole key to the 'invention' of a new plant is the discovery of new traits plus the foresight and appreciation to take the step of asexual reproduction.") (emphasis in original); *In re LeGrice*, 301 F.2d 929, 937, 133 USPQ 365, 372 (CCPA 1962) ("In 'asexual propagation,' . . . the plant is propagated by divisions or cuttings to form clones, each of which is identical to the parent plant and to all other cuttings or clones taken from the parent." (citing Samuel L. Emsweller, *Fundamentals in Plant Breeding*, Plants and Gardens, Summer 1959)); *see also Dunn v. Ragin*, 50 USPQ at 474; *Ex parte Moore*, 115 USPQ 145 (Pat. Off. Bd. App. 1957).

The commentators have also identified the importance of the asexual reproduction requirement. 1 Donald S. Chisum, *Patents* § 1.05[1][b][ii] (1986) ("Asexual reproduction is of central importance throughout the plant patent act."). The significance of the asexual reproduction requirement has also been appreciated. Edward A. Hayman, *Botanical Plant Patent Law*, 11 Cleveland-Marshall L.

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[6] "In many areas relating to plant patents, one writes on virtually a clean slate." Kenneth J. Burchfiel, *Biotechnology and the Federal Circuit* 408 (1995).

Rev. 430, 433 (1962) ("It would seem that a plant patent only protects the clones, or in other words, the asexual progeny of a particular plant."); Robert S. Allyn, *The First Plant Patents* 28 (1934) ("The fact that the Commissioner of Patents has ruled that only a single claim will be permitted in these plant patents indicated that he regards the protection intended by the Statute as limited to the exact variety described."); Robert S. Allyn, *Plant Patents 1934-1943* at 12 (1944) ("From a study of the plant patents thus far issued I have reached the conclusion that regardless of the intent of the law – most plant patents if sustained at all by the Courts will be considered as covering only plants which have been asexually reproduced from the original plant."); Peter F. Langrock, *Plant Patents – Biological Necessities in Infringement Suits*, 41 J. Pat. Off. Soc'y 787, 787 (1959) ("What constitutes asexual reproduction, this semi-sacred word in the field of plant patents? There are several specific methods. Each one of these methods consists of the isolation of a group or mass of vegetative cells from the parent plant that are capable of reproducing a plant that is genetically an *exact duplication of its parent plant*. In asexual reproduction, as the cells are separated from the parent plant without any internal change, they will reproduce an *exact replica of the parent.*") (emphasis added).

Due to the asexual reproduction prerequisite, plant patents cover a single plant and its asexually reproduced progeny. *See* Senate Report at 6 (Plant patent protection encourages "those who own the single specimen to reproduce it asexually and create an adequate supply."). Thus, the term "variety" in section 161 must be interpreted consistently with this requirement. Accordingly, "variety"

in section 161 cannot be read as affording plant patent protection to a range of plants, as asserted by Imazio.

3. Comparison with the Plant Variety Protection Act

Both parties argue that the provisions of the Plant Variety Protection Act are relevant to a proper interpretation of the scope of protection afforded plant patents under the Plant Patent Act.

The Plant Variety Protection Act of 1970 (PVPA) provides "patent-like protection to novel varieties of sexually reproduced plants (that is, plants grown from seed), which parallels the protection afforded asexually reproduced plant varieties (that is, varieties reproduced by propagation or grafting) under Chapter 15 of the Patent Act." *Asgrow Seed Co. v. Winterboer,* 115 S. Ct. 788, 790 (1995). Under the PVPA, the U.S. Department of Agriculture issues certificates of plant variety protection to the "breeder of any novel variety of sexually reproduced plant (other than fungi, bacteria, or first-generation hybrids) who has so reproduced the variety." 7 U.S.C. § 2402(a) (1994).

The term "variety" is defined in the PVPA at 7 U.S.C. § 2401(a)(9) (1994) as follows:

> The term "variety" means a plant grouping within a single botanical taxon of the lowest known rank, that, without regard to whether the conditions for plant variety protection are fully met, can be defined by the expression of the characteristics resulting from a given genotype or combination of genotypes, distinguished

> from any other plant grouping by the expression of at least one characteristic and considered as a unit with regard to the suitability of the plant grouping for being propagated unchanged. A variety may be protected by seed, transplants, plants, tubers, tissue culture plantlets and other matter.

According to the legislative history, the 1994 amendments to the PVPA were made to conform the statute with the International Convention for the Protection of New Varieties of Plants of March 1991. H.R. Rep. No. 2927, 103d Cong., 1st Sess. 6377 (1994). There is no indication in the legislative history that the addition of a definition of the term "variety" was in any sense intended to change the scope of protection afforded under the PVPA. In fact, both before and after the 1994 amendments, the right to protection under the PVPA is based on a determination of whether the variety is new, distinct, uniform, and stable. 7 U.S.C. § 2402(a).

Imazio argues that because the Plant Patent Act and the PVPA both use the term "variety," that term must be interpreted in the same manner in both statutes. As such, according to Imazio, the term variety can only mean a group of plants that have the same essential and distinctive characteristics under the Plant Patent Act because that is how the term is defined under the PVPA. We disagree.

Where Congress uses the same form of statutory language in different statutes having the same general purpose, courts presume that Congress intended the same interpretation to apply in both instances. *Northcross v. Board of Educ.*, 412 U.S. 427, 428 (1973). It is true that

both the Plant Patent Act and the PVPA use the term "variety" and grant some form of intellectual property protection. However, the two statutes differ significantly in their purposes. The Plant Patent Act grants a plant patent to one who "invents or discovers and asexually reproduces any distinct and new variety of plant." 35 U.S.C. § 161. Conversely, one is entitled to plant variety protection under the PVPA if he has sexually reproduced the variety and has otherwise met the requirements of 7 U.S.C. § 2402(a). The term "variety" in both statutes cannot be read divorced from the very different circumstances in which that term is used.

Those circumstances, asexual reproduction in the case of plant patents, and sexual reproduction in the case of plant variety protection, mandate the protection afforded under these different statutory provisions. Asexual reproduction is the cornerstone of plant patent protection, while sexual reproduction is the distinguishing feature of plant variety protection. Indeed, this is why the PVPA was enacted, to afford protection for sexually reproduced plants. *Diamond v. Chakrabarty*, 447 U.S. 303, 313 (1980). The result of asexual reproduction is a plant that is genetically identical to its parent. *Yoder*, 537 F.2d at 1380, 193 USPQ at 293 ("Asexual reproduction is literally the only way that a breeder can be sure that he has reproduced a plant identical in every respect to the parent."); *LeGrice*, 301 F.2d at 937, 133 USPQ at 372. The result of sexual reproduction is a plant that combines the characteristics of the parents, but is a different plant. *Id.* (In sexual reproduction, "the parent plants each contribute to the formation of the embryo that will develop in the seed and eventually give rise to a plant that differs

from either of the parent plants as well as from other plants produced from other seeds resulting from the cross-pollination.").[7]

It follows from this that the scope of protection afforded as a result of sexual versus asexual reproduction must be different; in the case of asexual reproduction, the same plant is produced, but in the case of sexual reproduction, a different plant, albeit like the parent plants, is produced. Given this, we reject Imazio's contention that the meaning of variety in the Plant Patent Act and the PVPA must be the same.

4. Conclusion

In view of the statutory language, the legislative history, the case law, the views of the commentators, and a review of relevant provisions of the PVPA, we conclude that the scope of a plant patent is the asexual progeny of the patented plant variety. Variety as used in section 161 encompasses a single plant, the plant shown and described in the specification.

V. INFRINGEMENT

A. The Trial Court's Analysis

In issuing its December 1992 preliminary injunction order, the trial court adopted the standard set forth in *Pan-American Plant Co. v. Matsui*, 433 F. Supp. 693, 694 n.2,

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[7] Plants true-to-type, although different in a strict genetic sense, are protectable under the PVPA. *Chakrabarty*, 447 U.S. at 312.

198 USPQ 462, 463 n.2 (N.D. Cal. 1977) that the Plant Patent Act "bars the asexual reproduction and sale of any plant which is the same variety (i.e., has the same essential characteristics) as the patented plant, whether or not the infringing plant was originally cloned from the patented plant." *Imazio,* 29 USPQ2d at 1219. The district court also addressed whether independent creation could be a defense to plant patent infringement as discussed in *Yoder,* 537 F.2d 1347, 193 USPQ 264. The district court stated that "independent creation is [not] a proper defense to patent infringement" and asserted that "the courts' recognition of an independent creation defense would inadvertently entice deliberate infringement, with a fraudulent defense of independent creation asserted." *Id.*

In granting summary judgment of infringement in September 1993, the trial court reiterated its adoption of the standard for plant patent infringement set forth in *Pan-American.* The trial court also reiterated its refusal to recognize independent creation as a defense to plant patent infringement concluding that such a defense "would result in a deluge of litigation without contributing any necessary safeguards."

On the merits of the infringement charge, the trial court reviewed the testimony of both parties' experts and found that the "undisputed evidence thus shows that the patented Erica Sunset Heather and the Holiday Heather are the same plants both morphologically (internal and external characteristics) and phenologically (blooming cycle)." The trial court concluded that Imazio had "successfully demonstrated that the Holiday Heather is an asexual reproduction of the Erica Sunset."

B. The Law of Infringement

Determining infringement is a two-step process. The first step is to determine the meaning and scope of the patent claim asserted to be infringed. *Markman*, 52 F.3d at 976, 34 USPQ2d at 1326. The second step is to compare the properly construed claim to that which is asserted to infringe. *Id.* We review claim construction, a question of law, *de novo*. *Id.* at 979, 34 USPQ2d at 1329.

C. Infringement of a Plant Patent

As to the first step, consistent with our analysis above, the scope of the claim of the '336 patent is the *asexual progeny* of the Heather persoluta shown and described in the '336 patent specification. To perform the second step of the infringement analysis, we first look to the language of the statute.

Section 163 grants to plant patentees the right to exclude others from asexually reproducing the plant or selling or using the plant so reproduced. 35 U.S.C. § 163. As stated above, the trial court held that asexual reproduction is shown if the patentee can prove that the alleged infringing plant has the same essential characteristics as the patented plant. We disagree.

We note that the trial court based its infringement analysis on a footnote in *Pan-American* which is dictum because in that case infringement was denied on other grounds. Additionally, the *Pan-American* court expressly stated that "there [was] no need to discuss the asexual reproduction question in detail." *Id.*

The "asexual reproduction question," however, is critical to the infringement analysis. In construing section 161, we held above that the scope of a plant patent is the asexual reproduction of the plant shown and described in the specification. Asexual reproduction, in terms of section 161, means the progeny of the patented plant via "grafting, budding, cuttings, layering, division and the like, but not by seeds." Senate Report at 1; *see MPEP* § 1601.

We must construe the term "asexual reproduction" in section 163 in the same way as we did in section 161. Thus, for purposes of plant patent infringement, the patentee must prove that the alleged infringing plant is an asexual reproduction, that is, that it is the progeny of the patented plant. *Yoder*, 537 F.2d at 1380, 193 USPQ at 293 ("It is quite possible that infringement of a plant patent would occur only if stock obtained is used, given the extreme unlikelihood that any other plant could actually infringe.").

Our interpretation of section 163 is in accord with the majority of the commentators who have considered this issue. 1 Donald S. Chisum, *Patents* § 1.05[1][d] (1994). ("It is generally assumed that one infringes only if the accused plant is a direct or indirect asexual reproduction of the patentee's original parent plant."); Peter F. Langrock, *Plant Patents – Biological Necessities in Infringement Suits*, 41 J. Pat. Off. Soc'y 787, 788-89 (1959) ("What test is to be used in [plant patent] infringement proceedings . . . ? It is necessary that there be some sort of physical appropriation from one of the patent plants. It is only when there is such a physical appropriation that the rights of the patentee are invaded. . . . The test set out by

[another] calling for only a showing of an asexual reproduction of 'substantially the same plant' misses the narrow confinement of the protection afforded to plant patents." (footnotes omitted)); David B. Bernstein, *Is a Plant Patent a Form of Copyright?*, 27 IDEA 31, 35 (1986) ("The relevant court holdings have suggested that no infringement of a plant patent can occur without an actual, physical taking from the plant discovered by the patentee.").

1. Independent creation as a defense to plant patent infringement

Below, the parties disputed whether independent creation is a proper defense to plant patent infringement. The trial court refused to recognize such a defense stating that the "patent holder would have great difficulties enforcing his patent rights if a defendant were allowed to raise independent creation as an affirmative defense." The trial court reasoned that it would be hard for the patentee to refute evidence of independent creation because all such evidence would be in the defendant's control.

We must reject the trial court's analysis of the independent creation defense because it is contrary to the plain meaning of the statute. *See Wilner v. United States*, 24 F.3d 1397, 1402 (Fed. Cir. 1994) (in banc) (court's approach constituted legal error because it was contrary to the plain meaning of the statute). The statute requires asexual reproduction of the patented plant for there to be infringement. It is necessarily a defense to plant patent infringement that the alleged infringing plant is not an

asexual reproduction of the patented plant. Part of this proof could be, thus, that the defendant independently developed the allegedly infringing plant. However, the sine qua non is asexual reproduction. That is what the patentee must prove and what the defendant will seek to disprove.

D. Conclusion as to Infringement

In this case, therefore, in order for there to be infringement of the '336 patent, the infringing plant must be an asexual reproduction of the plant claimed, i.e., the Heather persoluta shown and described in the '336 patent. The trial court erred as a matter of law when it held that infringement of the '336 patent was shown by proof merely of asexual reproduction of *a* plant having the same essential characteristics as the patented plant. Accordingly, we reverse the holding of infringement. We also therefore vacate the finding of willfulness and the award of attorney fees.

"We recognize that, in some cases, it may be proper for an appellate court which disagrees with a district court's decision granting summary judgment in favor of the moving party, to reverse and remand with instructions to award summary judgment in favor of the non-moving party." *Litton*, 755 F.2d at 164, 225 USPQ at 38. However, in certain circumstances it is more appropriate to remand to the trial court for further proceedings. *Id.* at 164, 225 USPQ at 38-39 (citations omitted). We believe such circumstances exist here because the trial court did not consider the proper standard for plant patent infringement and, therefore, may not have considered all

evidence relevant to the infringement issue. Therefore, we remand to the district court for an infringement determination consistent with this opinion.

VI. CONCLUSION

The judgment of infringement of the '336 patent is reversed. The finding of willfulness and the award of attorney fees are vacated. The case is remanded for further proceedings consistent with this opinion.

VII. COSTS

No costs.

REVERSED-IN-PART, VACATED-IN-PART, AND REMANDED

APPENDIX B

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

94-1450

IMAZIO NURSERY, INC.,

Plaintiff-Appellee,

v.

DANIA GREENHOUSES,

Defendant,

and

COASTAL NURSERY,
JESS RODRIGUES, and DONNA RODRIGUES,

Defendants-Appellants.

JUDGMENT

ON APPEAL from the United States District Court for the Northern District of California

in CASE NO(S). 92-20755(SW)

This CAUSE having been heard and considered, it is

ORDERED and ADJUDGED:

REVERSED-IN-PART, VACATED-IN-PART, AND REMANDED

ENTERED BY ORDER OF THE COURT

DATED NOV 3 1995

/s/ Francis X Gindhart
Francis X. Gindhart, Clerk

ISSUED AS A MANDATE: November 27, 1995

APPENDIX C

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

94-1450

IMAZIO NURSERY, INC.,

Plaintiff-Appellee,

v.

DANIA GREENHOUSES,

Defendant,

and

COASTAL NURSERY,
JESS RODRIGUES, and DONNA RODRIGUES,

Defendants-Appellants.

ORDER

A combined petition for rehearing and suggestion for rehearing in banc having been filed by the APPELLEE, and the petition for rehearing having been referred to the panel that heard the appeal, and thereafter the suggestion for rehearing in banc having been referred to the circuit judges who are in regular active service,

UPON CONSIDERATION THEREOF, it is

ORDERED that the petition for rehearing be, and the same hereby is, DENIED and it is further

ORDERED that the suggestion for rehearing in banc be, and the same hereby is, DECLINED.

The mandate has already issued.

FOR THE COURT,

FRANCIS X. GINDHART, CLERK

Dated: January 23, 1996

/s/ By Diane M. Frye
Diane M. Frye
Chief Deputy Clerk

cc: PHILIP C. SWAIN
DAVID A. DILLARD
WILLIAM L. LAFUZE

IMAZIO NURSERY V
COASTAL NURSERY,
94-1450
(DCT – C-92-20755)

FILED
U.S. COURT
OF APPEALS FOR
THE FEDERAL
CIRCUIT

(Filed Jan. 23, 1996)

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Note: Pursuant to Fed. Cir. R. 47.6, this order is not citable as precedent. It is a public record.

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APPENDIX D

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

IMAZIO NURSERY, INC., Plaintiff, v. DANIA GREENHOUSE, COASTAL NURSERY, JESS RODRIGUES, and DONNA RODRIGUES, Defendants.	CIVIL NO. 92-20755(SW) ORDER DENYING IN PART AND GRANTING IN PART PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT; DENYING PLAINTIFF'S APPLICATION FOR PERMANENT INJUNCTION (Filed Sep. 2, 1993)

Plaintiff Imazio Nursery, Inc. moves for summary judgment in its action against Dania Greenhouse, *et al.*, for alleged infringement of Plaintiff's plant patent. After consideration of the briefs, oral arguments, and supplemental briefs, the Court hereby DENIES summary judgment on the issue of validity and GRANTS Plaintiff summary judgement on the issue of infringement, as detailed below.

BACKGROUND

In 1978, Bruno Imazio, then owner of Imazio Nursery, Inc., discovered what he believes to be a new variety of heather growing in his persoluta field. This asserted "new variety" bloomed in December and January and

into February, whereas its parent plant, the PERSOLUTA, bloomed in late February, March, and April. As this heather bloomed during the Christmas and Valentine's Day seasons, Mr. Imazio recognized its commercial potential and took cuttings in an attempt to isolate and asexually reproduce this strain. He succeeded over the next two years and, in December of 1983, introduced the "Erica Sunset" to the marketplace. Plaintiff has successfully marketed cut flowers from that strain but does not sell potted (i.e. live) Erica Sunset plants, because it is much easier to copy the strain from a live plant than from cut flowers. On November 13, 1984, Plaintiff obtained United States Plant Patent No. 5,336 (the " '336 patent") on the Erica Sunset.

In December of 1991, a competitor of Imazio Nursery, Inc., Coastal Nursery (hereafter "Coastal"), began marketing a strain of heather called "Holiday Heather." Plaintiff alleges that the Holiday Heather is identical to the Erica Sunset and, therefore, infringes Plaintiff's patent.

On December 16, 1992, this Court entered an order granting Plaintiff's motion for preliminary injunction. The Order enjoined Coastal from selling potted Holiday Heather plants and required Plaintiff to post a security bond. *See* Dec. 16, 1992 Order Granting Plaintiff's Motion for Preliminary Injunction. Coastal was permitted, however, to continue sales of cut flowers from the Holiday Heather. Plaintiff now moves this Court for an order of summary judgment.

LEGAL STANDARD

Summary judgment is as appropriate in patent cases as in any other. *See e.g., Avia Group International, Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557, 1561 (Fed. Cir. 1988). On a motion for summary judgment, the moving party must demonstrate that no genuine issue of material fact exists for trial. *Id.* at 1560. However, the "burden on the moving party may be discharged by 'showing' – that is pointing out to the district court that there is an absence of evidence to support the non-moving party's case." *Id.* (quoting *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986)).

Once the moving party demonstrates that there is no genuine issue of material fact, the non-moving party must designate "specific facts showing that there is a genuine issue for trial." *Celotex Corp. v. Catrett*, 477 U.S. at 324. The non-moving party's showing must be "sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial." *Id.* at 322.

The adjudication of a summary judgment motion is not a "trial on affidavits." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255 (1986). Credibility determinations and weighing of the evidence are solely jury functions. *Id.* at 255. Inferences drawn from underlying facts must be viewed in the light most favorable to the non-moving party. *Matsushita Elec. Industrial Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986) (citing *United States v. Diebold, Inc.*, 369 U.S. 654, 655 (1962)).

However, there may be no genuine issue of material fact if "the evidence is of insufficient caliber or quantity

to allow a rational finder of fact" to find for the non-moving party. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. at 254. In circumstances where the factual context renders the non-moving party's claim implausible, the non-moving party must come forward with "more persuasive evidence" to support the claim "than would otherwise be necessary." *Matsushita Elec. Industrial Co. v. Zenith Radio Corp.*, 475 U.S. at 587.

DISCUSSION

In resolving this motion for summary judgment, the Court must determine whether there exists a genuine dispute of fact regarding both the validity of the Erica Sunset patent and its infringement by the Holiday Heather.

I. VALIDITY OF THE '336 PATENT

A. Presumption of validity

Pursuant to 35 U.S.C. § 282, a patent is presumed valid, and "the burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity." To satisfy this burden, the party challenging validity must show by clear and convincing evidence that the patent was improperly issued. *See Buildex Inc. v. Kason Industries, Inc.*, 849 F.2d 1461, 1463 (Fed. Cir. 1988). Notwithstanding the presumption of validity, however, "[e]vidence of prior art not considered by the Patent and Trademark Office ("PTO"), especially in combination with evidence of omissions or inaccuracies

in prior art presented to the PTO, eviscerates the presumption of validity." *Codex Corp. v. Milgo Electronic Corp.*, 717 F.2d 622, 628 (1st Cir. 1983), *cert. denied*, 466 U.S. 931 (1984). Although the presumption of validity may be rebutted, it should be noted that the burden of persuasion "is and always remains upon the party asserting invalidity. . . . " *Solder Removal Co. v. United States International Trade Comm'n*, 582 F.2d 628, 633 (C.C.P.A. 1978).

Defendants argue that the usual presumption of validity afforded to patents does not exist in this case. If the Court agrees that the presumption of validity is rebutted here, Defendants would be entitled to prove invalidity with less evidence than ordinarily required. However, after reviewing the arguments and supporting evidence, the Court concludes that the presumption of validity remains intact.

According to Defendants, the usual presumption of validity does not exist here because Plaintiff did no research before filing his patent application to determine if Erica Sunset was in fact a new and distinct variety. Def. Opp. at 11:22-23. If Plaintiff had conducted such research, Defendants assert, Plaintiff would have discovered prior art heathers that destroy the patentability of the Erica Sunset.

The duty of candor requires only that an applicant disclose to the PTO prior art known to him which is material to the examination of his patent application. 37 C.F.R. 1.56 (1992). A patent applicant is under no duty to conduct a prior art search. *See American Hoist & Derrick Company v. Sowa & Sons, Inc.*, 725 F.2d 1350, 1362 (Fed.

Cir. 1984), *cert. denied*, 469 U.S. 821 (1984). Defendants, however, present no evidence that Plaintiff knew of, but failed to disclose, the existence of an *Erica quadrangularis* plant that bloomed at the same time as the Erica Sunset. Defendants do not even present clear evidence that such prior art existed without Plaintiff's knowledge.[1] Accordingly, the presumption of validity remains.

B. Inequitable conduct

Defendants then argue that the '336 patent is invalid because Plaintiff developed "unclean hands" by providing inaccurate information to the PTO about the Erica Sunset. The doctrine of unclean hands "closes the doors of a court of equity to one tainted with inequitableness or bad faith relative to the matter in which he seeks relief." *Ellenburg v. Brockway, Inc.*, 763 F.2d 1091, 1097 (9th Cir. 1985). The unclean hands doctrine, when applied to particular conduct before the PTO, is termed "inequitable conduct." *See Consolidated Aluminum Corp. v. Foseco Int'l, Ltd.*, 910 F.2d 804, 812 (Fed. Cir. 1990). Before a court can hold a patent unenforceable under the doctrine of inequitable conduct, the defendant must prove by clear and

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[1] Although Defendants submitted expert testimony that the Erica Sunset is the same plant as a heather sold in the late 1960's by Manning's Heather Farm, Defendants present no evidence whatsoever as to the blooming cycle of the Manning heather. Defendants also assert that some of Plaintiff's other cultivars – including the Ruby, Blue Stripe, Early Sunset, and the Sunset Select – overlap the Erica Sunset's blooming cycle. However, Plaintiff developed these cultivars after the Erica Sunset was discovered; thus, these plants are not prior art to the patent-in-suit.

convincing evidence a threshold degree of (1) materiality of the non-disclosed or false information and (2) intent. *J.P. Stevens & Co. v. Lex Tex, Ltd.*, 747 F.2d 1553, 1559-60 (Fed. Cir. 1984), *cert. denied*, 474 U.S. 822 (1985); *see also, Cataphote Corp. v. De Soto Chemical Coatings, Inc.*, 450 F.2d 769 (9th Cir. 1971), *cert. denied*, 408 U.S. 929 (1972). Assuming the thresholds have been met, the court must then balance materiality and intent. *Under Sea Indus., Inc. v. Dacor Corp.*, 833 F.2d 1551, 1559 (Fed. Cir. 1987). "The more material the omission, the less culpable the intent required, and vice versa." *Halliburton Co. v. Schlumberger Technology Corp.*, 925 F.2d 1435, 1439 (Fed. Cir. 1991) (citing *N.V. Akzo v. E.I. Dupont De Nemours*, 810 F.2d 1148, 1153 (Fed. Cir. 1987)). The trial court has discretion to determine inequitable conduct. *Halliburton Co. v. Schlumberger Technology Corp.*, 925 F.2d at 1440.

In obtaining the '336 patent, Plaintiff represented to the PTO that the Erica Sunset belonged to the *Erica persoluta* species. *See* '336 patent, col. 1, line 38. However, Defendants present expert testimony that the more accurate name for the species is *Erica quadrangularis*. *See* McClintock Decl. ¶ 8. Plaintiff responds with evidence showing that many recognized authorities, including the *Hortus Third* treatise, refer to the subject species as *Erica persoluta*. Apparently, the proper botanical name of this species has been the subject of some confusion in the plant industry. In light of this confusion, the Court finds no intentional misrepresentation by Plaintiff.

Defendants next argue that the '336 patent is unenforceable because Bruno Imazio made false statements to the PTO regarding the Erica Sunset's blooming cycle. Mr.

Imazio stated in the patent application, "Since my discovery of this new plant I have reproduced it through successive generations by means of cuttings and have found that its early blooming habit remains true from generation to generation and appears to be firmly fixed." *See* '336 patent, col. 1, ¶ 2. In his deposition, however, Mr. Imazio stated that he selected the blooming time stated in the patent based *solely* on that year's blooming time:

> Q: What I want to know is at the time you patented it, what you regarded to be the blooming period for Erica Sunset.
>
> A: Well, you have to copy it from the patent, because at that time, *I had no previous experience or anything*. That year, it bloom in those days, and that's the date I selected. And I cannot change it for any reason.

B. Imazio Depo. at 85:24-86:5 (emphasis added).

This deposition testimony is evidence that Mr. Imazio falsely stated that he knew something to be true when in fact he had no basis to know its truth. The inquiry then becomes whether Mr. Imazio's false statement regarding his knowledge was material to the issuance of the patent and whether Mr. Imazio intended the misrepresentation. The Court notes that this apparently false statement has no bearing whatsoever on the underlying fact of the Erica Sunset's true blooming cycle.

The threshold level of intent may be shown without proof by direct evidence. *J.P. Stevens & Co. v. Lex Tex, Ltd.*, 747 F.2d at 1560. "It may be proven by showing acts the natural consequences of which are presumably intended by the actor." *Id.*, (*citing, American Hoist & Derrick Co. v.*

Sowa & Sons, 725 F.2d at 1363. The threshold level of intent has clearly been met in this case, as the natural consequence of putting the false statements in the patent application was that the PTO would read and rely on those statements.

In determining the threshold level of materiality, the Ninth Circuit employs a "but for" test. Under this standard, materiality is shown if "but for" the misrepresentation, the patent would not have issued. *Cataphote Corp. v. De Soto Chemical Coatings, Inc.*, 450 F.2d at 773.

Defendants have not presented clear and convincing evidence showing the materiality of Mr. Imazio's false statement regarding his personal knowledge. While the Erica Sunset's true blooming cycle is clearly a material issue, the patent office may have issued the patent without Mr. Imazio's statement regarding his personal knowledge of that blooming cycle. For instance, the patent may have issued if Mr. Imazio had simply asserted that "the Erica Sunset's early blooming habit remains true from generation to generation and appears to be firmly fixed," excluding the apparently false statement that Mr. Imazio knew this to be true because he had "reproduced it through successive generations by means of cuttings." Because Defendants have not shown materiality of the apparently false statement, the Court cannot hold the patent unenforceable due to inequitable conduct. Of course, this conclusion in no way prevents Defendants from showing that the patent is unenforceable because, contrary to Plaintiff's assertion in the patent, the Erica Sunset's blooming cycle is not in fact firmly fixed.

On this issue, Defendants have presented no evidence that the Erica Sunset has ever bloomed significantly outside of the time span stated in the patent, from early December into February. The only evidence of a discrepant blooming time arises from the deposition testimony of Mr. Imazio, who states that the Erica Sunset has bloomed as early as late November, rather than early December as stated in the patent. B. Imazio Depo. at 85:16-86:17.[2] Mr. Imazio further explained that weather conditions – such as exposure to sun, heat, dry, overcast, and cold – affect the blooming time of heather plants. Due to these varying conditions, Mr. Imazio testifies, heather plants do not reach full bloom all at once, but rather over a period of time. *Id.* at 84:18-20; 300:26-301:1. He further testifies that even the forty to fifty branches on a single plant do not all reach full bloom at the same time. *Id.* at 300:16-25. Because of the affect weather conditions have on a plant's blooming time, evidence that the Erica Sunset has bloomed in late November on one or two occasions does not show Mr. Imazio falsely stated that the Erica Sunset's blooming cycle is firmly fixed.

Defendants then point to a picture Plaintiff provided to the PTO as evidence that the Erica Sunset blooms outside of the period stated in the patent. A picture in the patent shows the Erica Sunset in apparent full bloom on December 8, 1992. Mr. Imazio testified in his deposition, however, that the Erica Sunset does not reach full bloom until mid-January. *Id.* at 90:16-23.

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[2] The Court notes that Mr. Imazio also testified that the Erica Sunset could bloom in early December under certain weather conditions. B. Imazio Depo. at 301:10-14.

Notwithstanding the photograph, Plaintiff makes no assertion in the patent that the Erica Sunset consistently reaches full bloom in early December, but states only that it consistently begins to bloom in early December. Nor did Mr. Imazio testify in his deposition that the Erica Sunset reaches full maturity of bloom in late November, as Defendants imply. Rather, he testified only that the Erica Sunset has begun to bloom as early as late November. *Id.* at 85:16-86:17. Moreover, Mr. Imazio clarified that he used the term "full maturity" to refer to the point at which all branches on a plant were in bloom. *Id.* at 86:21-26. The Court cannot ascertain from the pictures in the patent how many plants were in full bloom on that date, since those pictures are close-up shots of one or two plants. There may have been only one or two plants in full bloom at that time, and Plaintiff choose to feature them as illustrations of what the plant looks like when in full bloom.

Finally, Defendants argue that if the Erica Sunset was in full bloom on December 8 it must have started blooming at some time before early December. Defendants, however, have offered the Court no evidence regarding the amount of time typically lapsing between when a plant begins to bloom and when it reaches full bloom. Without this evidence, the Court cannot conclude that the Erica Sunset begins to bloom significantly outside of the time span stated in the patent. For these reasons, the Court finds no inequitable conduct by Plaintiff based on his representation that the Erica Sunset's blooming cycle is firmly fixed.

C. General patentability of a blooming cycle

The Patent and Trademark Office issued the '336 patent based on Plaintiff's representation that the Erica Sunset had a unique blooming cycle. Implicit in the issuance of the '336 patent, therefore, is the PTO's belief that a unique blooming cycle is a patentable characteristic. Consistent with its position before the PTO, Plaintiff defends the validity of its patent to this Court solely on the basis of the Erica Sunset's blooming cycle.[3]

Defendants argue, however, that the '336 patent is invalid as a matter of law because a blooming cycle can never gain patent protection. Defendants offer the legislative history of the Plant Patent Act to support this assertion.

The Senate Report discussing the Plant Patent Act states as follows:

> The characteristics that may distinguish a new variety would include, *among others,* those of habit; immunity from disease; or soil conditions; color of flower, leaf, fruit or stems; flavor; productivity, including ever-bearing qualities in case of fruits; storage qualities; perfume; form; and ease of asexual reproduction. Within any one of the above *or other classes of characteristics* the differences which would suffice to make the

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[3] Plaintiff claims to grow approximately eleven different varieties of heather, nine of which were discovered over the past fifteen years. Mr. Imazio has been awarded patents on four of the new varieties, and he is currently preparing to file patent applications for two of the newest varieties.

> variety a distinct variety, will necessarily be differences of degree.

S. Rep. 315, 71st Cong., 2d Sess. (1930) (emphasis added).

This legislative history does not support Defendants' argument that the '336 patent is invalid as a matter of law. Although blooming cycle is not specifically mentioned therein, the Senate Report clearly expresses, through the use of such phrases as "among others" and "or other classes of characteristics," that its list was not intended to be exhaustive. *See* S. Rep. 315, 71st Cong., 2d Sess. (1930). Defendants offer no other evidence, nor even persuasive argument, to show that as a matter of law a plant's blooming cycle is not a patentable characteristic.

In contrast, the evidence submitted by Plaintiff suggests that a blooming cycle, if unique, is a patentable characteristic. In "Plant Patents and Federal Trademarks on Plants," published by the National Association of Plant Patent Owners, industry authorities list "seasonal distribution" among the distinctive characteristics deserving of patent protection.[4] Indeed, it is difficult to see why a unique blooming cycle, particularly one occurring during periods of significant commercial potential, would be a characteristic any less patentable than, say,

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[4] During oral argument, Defendants moved to strike this document, along with excerpts from *The 1990 Information Please Almanac* and the "International Code of Nomenclature for Cultivated Plants – 1980," all submitted by Plaintiff. The Court ordered the parties to submit additional briefing on that motion. Having considered the arguments and post-hearing briefs, the Court finds it proper to take judicial notice of these documents pursuant to Fed. R. Evid. 201(b)(2) and, accordingly, denies Defendants' motion to strike.

the color of a plant's flower or flavor of its fruit. A unique blooming cycle has at least as much potential to increase market demand for the plant and may even create a market where none previously existed. In fact, the Erica Sunset's commercial success bolsters its patentability. As long recognized by courts, the presumption of validity that arises from the grant of a patent is strengthened where the invention is markedly useful, valuable, and answers a need in the industry, thereby conferring a real benefit to the public. *See e.g., Loom Co. v. Higgins*, 105 U.S. 580, 591 (1882); *Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888 (Fed. Cir. 1984), *cert. denied*, 469 U.S. 857 (1984); *see also Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1569 (Fed. Cir. 1987) (the validity of a patent may be supported by objective factors of non-obviousness, such as commercial success and long-felt need), *cert. denied*, 481 U.S. 1052 (1987). As Defendants have presented no evidence to overcome this heightened presumption, the Court holds that a plant's unique blooming cycle is a patentable characteristic. Thus, the '336 patent is not invalid as a matter of law. However, the '336 patent may be invalid as a factual matter if undisputed evidence shows that the four requirements of patentability have not been met.

D. Satisfaction of the requirements of patentability

A plant patent may be obtained by "[w]hoever invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated sports, mutants, hybrids and newly found seedlings, other than a tuber propagated plant or a plant found in an uncultivated state . . . " 35 U.S.C. § 161. In order to

obtain a valid plant patent, the patent applicant must show that the plant meets the following requirements: (1) novelty, (2) distinctiveness, (3) nonobviousness, and (4) asexual reproduction. *See* 35 U.S.C. § 161; *See also Yoder Bros., Inc. v. California-Florida Plant Corp.*, 537 F.2d 1347, 1377 (5th Cir. 1976), *cert. denied*, 429 U.S. 1094 (1977) (hereafter "*Yoder Bros.*"). Defendants argue that the '336 patent is invalid because the Erica Sunset does not meet the criteria of novelty and distinctiveness, as required under 35 U.S.C. § 161.

In the context of plant patents, novelty requires a new plant to have literally never before existed. *Yoder Bros.*, 537 F.2d at 1378. A plant that existed before in nature but was newly found, such as an exotic plant from a remote part of the earth, does not satisfy the novelty requirement. *Id.* In formulating the standard for distinctiveness, the Fifth Circuit in *Yoder Bros.* relied on the Senate Report cited above and concluded that "[a] definition of 'distinctiveness' as the aggregate of the plant's distinguishing characteristics seems to us a sensible and workable one." *Id.* at 1378.

According to Defendants, the Erica Sunset is neither novel nor distinct because it has the same morphology as a heather collected in 1968 at the Manning Heather Farm. "Morphology" is generally a description of a plant and all its features, except blooming time which is typically segregated in plant descriptions under the heading of "phenology." Bauml Depo. at 25:1-26:6. Defendants' expert, Dr. McClintock, examined under a dissecting microscope the Erica Sunset, the Holiday Heather, and another heather sold by Plaintiff under the brand name "Ruby." The Ruby blooms about one month earlier than the Erica

Sunset. Reply Memo. n. 9, p. 23. Dr. McClintock concluded that all three plants were identical to a heather specimen she collected in 1968 from Manning's Heather Farm. *See* McClintock Decl. of March 2. ¶ 11, 4:3-10.

Although the evidence shows that the Erica Sunset and the 1968 Manning Heather have the same morphology, no evidence has been submitted to the Court regarding the blooming cycle of the 1968 heather. Plaintiff concedes that the Erica Sunset has the same morphology as the 1968 sample and maintains only that the Erica Sunset has a different and distinctive blooming cycle from that of the 1968 specimen. Thus, the novelty and distinctiveness of the Erica Sunset is unchallenged by the 1968 heather.

Defendants further argue that the Erica Sunset is not a new or distinct plant because other plants belonging to *Erica quadrangularis* share the Erica Sunset's blooming cycle. While the patent states that the PERSOLUTA, Erica Sunset's parent, blooms more than one month after the Erica Sunset, Defendants assert that the Erica Sunset and the PERSOLUTA actually bloom within ten days of each other. In support of their assertion, Defendants submit Plaintiff's harvesting records for the Erica Sunset and the PERSOLUTA. These records show that, except for 1988, in 1984-1989, there were never more than ten days between the end of the Erica Sunset harvest and the beginning of the PERSOLUTA harvest. Defendants assert that if the Erica Sunset truly reached full bloom more than one month before the PERSOLUTA, as stated in the patent, then there would be more time between the end of the Erica Sunset's harvest and the beginning of the PERSOLUTA harvest. Defendants, however, present no expert

testimony to support this assertion or otherwise indicate how much time typically passes between the point at which a plant begins to bloom and when it reaches full bloom.

Plaintiff counters that it is inappropriate to rely, as Defendants did, on *ending* harvesting dates for the Sunset and *beginning* harvesting dates for the PERSOLUTA to determine their respective blooming cycles. Instead, Plaintiff argues, one should compare the beginning harvest dates for the Erica Sunset to the ending harvest date of the Erica Sunset, and the beginning harvest date of the PERSOLUTA to the ending harvest date of the PERSOLUTA. When the beginning and ending dates of one plant is compared to the beginning and ending date of the other plant, the record reflects more than a month's difference in blooming cycle. Like Defendants, however, Plaintiff presented no expert testimony to support its method of interpreting the harvest records. Therefore, the Court declines to act on either Defendants' or Plaintiff's assertion.

Notwithstanding the parties, unsupported assertions, the Court observes that Defendants present no evidence that the Erica Sunset and the PERSOLUTA ever actually bloom at the same time. Viewing the evidence as Defendants interpret it, the Erica Sunset consistently blooms ten days *before* the Erica Sunset [sic]. Moreover, to the extent Defendants may argue that a ten-day differential cannot result in a distinctive characteristic, the Court has been presented with no evidence upon which to base such a finding. The Court further notes that clues of the Erica Sunset's distinctiveness may be found in the market's response. The commercial success enjoyed by the

Erica Sunset, as compared to the PERSOLUTA, attests to its distinctiveness. Plaintiff asserts in part that the Erica Sunset is distinctive because it blooms around the Christmas season. To this extent, the fact that the PERSOLUTA blooms ten days after the end of the Erica Sunset's bloom cycle in February does not distract from the Erica Sunset's claim of distinctiveness. Thus, the novelty and distinctiveness of the Erica Sunset's patented blooming cycle is unchallenged by the PERSOLUTA.

As another ground for invalidating the patent, Defendants assert that there simply exists no varieties whatsoever of the *Erica quadrangularis* species. According to Defendants, the blooming cycle within this species varies so widely that it is improper to acknowledge a variety based on this unstable characteristic. Defendants offer in support of this assertion the declaration of Dr. McClintock, in which she stated:

> the patent does not describe any characteristic of *Erica* 'Sunset' that is distinct or different from other plants within *Erica quadrangularis*. The only distinctive characteristic of *Erica* 'Sunset' identified in the patent is its early blooming habit. *Erica quadrangularis* has a blooming season of several months in South Africa.

See McClintock Decl. of March 2, 1993 at ¶ 13.

It is undisputed that heathers belonging to the *Erica quadrangularis* species bloom in South Africa during the period of July to December. *See* Baker and Oliver, *Erica's in South Africa*. In support of its Reply brief, Plaintiff offered *The 1990 Information Please Almanac* which states that seasons in the Southern Hemisphere occur six months apart from seasons in the Northern Hemisphere.

Plaintiff then asserts that the period of July to December in South Africa corresponds to the period of January to June in the Northern Hemisphere for purposes of determining blooming cycles. Defendants, however, argue that the July to December period in South Africa corresponds to the period of November to April in California. If Defendants are correct, there would be approximately two and a half months overlap between the blooming cycles of the Erica Sunset and South African heathers (all of December and January and part of February). More significantly, however, even under Plaintiff's interpretation of the evidence, the Erica Sunset's blooming cycle overlaps with the South African heathers by approximately one and a half months (all of January and part of February). This fact alone compels the Court to deny summary judgment on the issue of validity as there exists a genuine dispute of material fact bearing on the distinctiveness and novelty of the Erica Sunset's blooming cycle.

While acknowledging the general reliability of the information contained in *The 1990 Information Please Almanac,* the Court further finds there exists a genuine issue regarding the proper correlation of the almanac to California agricultural cycles. As Plaintiff points out, local weather conditions and other environmental factors – such as comparative longitude and latitude, temperature, and rainfall – may affect a plant's blooming cycle. The parties have not yet presented expert testimony on these issues, since Plaintiff did not raise this factual argument until its Reply papers. Until such expert testimony

is heard, the Court cannot determine whether *Erica quadrangularis* heathers in South Africa share the Erica Sunset's blooming cycle. Because there are genuine questions surrounding the novelty and distinctiveness of the Erica Sunset, Plaintiff's motion for summary judgment on the issue of validity is hereby DENIED.

II. INFRINGEMENT OF THE '336 PATENT

A. Independent creation as an affirmative defense

The parties dispute whether independent creation can be asserted as an affirmative defense to infringement. This defense would allow a defendant to escape liability for infringement if he can show that the accused plant was independently created.

A plant patent protects the patent holder by prohibiting asexual reproduction of the patented plant by others. Specifically, 35 U.S.C. § 163 provides that "[i]n the case of a plant patent the grant shall be of the right to exclude others from asexually reproducing the plant or selling or using the plant so reproduced."

Courts applying this statute have reached different conclusions as to what is required to prove asexual reproduction. The statute on its face is silent as to how asexual reproduction is to be shown. In *Pan-Am Plant Co. v. Matsui*, decided in the Northern District of California, the court held that the Plant Patent "Act bars the asexual reproduction and sale of any plant which is the same variety (i.e., has the same essential characteristics) as the patented plant, whether or not the infringing plant was originally cloned from the patented plant." 433 F. Supp.

693, 694 n.2 (N.D. Cal. 1977) (hereafter "*Pan-Am*"). However, in *Yoder Bros.*, decided in the Fifth Circuit, the court held that an accused infringer could escape liability for infringement if he could show that his plant was not actually copied from the patented plant. 537 F.2d at 1380.

Under both *Pan-Am* and *Yoder Bros.*, the plaintiff bears the initial burden of demonstrating that the accused and the patented plants have the same essential characteristics. A plaintiff successfully making this showing would prevail on the issue of infringement under *Pan-Am*. However, if the defendant could then show that the accused plant having the same essential characteristics was not actually grown from the patented plant, the defendant would prevail under the standard pronounced in *Yoder Bros.*

Concluding that the court in *Pan-Am* stated the wiser rule, this Court refused to recognize the defense of independent creation in its Order of December 16, 1992. The Court concluded that assertion of that affirmative defense would result in a deluge of litigation without contributing any necessary safeguards. Under both *Pan-Am* and *Yoder Bros.*, the patent holder must show that the accused and patented plants have the same essential characteristics. This substantial burden sufficiently protects the rights of the accused infringer, particularly since spontaneous mutations are rare occurrences.

Moreover, a patent holder would have great difficulties enforcing his patent rights if a defendant were allowed to raise independent creation as an affirmative defense. While it would be easy to produce evidence in

support of the affirmative defense, it would be extraordinarily difficult to refute such evidence. Here, for example, Defendants submit the deposition of Maurillo Carrillo who testifies that he discovered the original Holiday Heather plant as a mutation appearing in a field of potted Persoluta heather in August or September of 1984. *See* Carrillo Depo. at 18-19. One can readily see the difficulty Plaintiff would have in refuting this evidence. As in all cases of this nature, the rebuttal evidence will generally lie exclusively within the defendant's control. It would be next to impossible for a patent holder to prove that the accused plant was physically grown from the patented plant, since the patent holder has no ability to monitor what happens to its plant once it is sold. The patent holder who sells potted plants takes a particularly great risk on his patent rights, since asexual reproduction of live plants is a relatively simple process.

For these reasons, the Court continues to hold that a patent holder establishes infringement by showing that the accused plant has the "same essential characteristics" as the patented plant. Independent creation is not a defense. In this case, Plaintiff will show that the Erica Sunset and the Holiday Heather have the same essential characteristics if the plants are shown to have the same morphology and phenology. The showing of "same essential characteristics" must be made by a preponderance of the evidence. *See Symbol Technologies, Inc. v. Opticon, Inc.*, 935 F.2d 1569, 1574 (Fed. Cir. 1991).

B. Same essential characteristics

Both parties' experts agree that the Erica Sunset and the Holiday Heather have the same morphology. Furthermore, it is undisputed that the Erica Sunset and Holiday Heather have the same blooming cycle. In support of this motion, Plaintiff has submitted the testimonies of two experts, Mr. James Bauml and Mr. Brett Hall, who testify that the morphological characteristics of the Erica Sunset and the Holiday Heather, including the internal structure of the flowers, are the same. Mr. Bauml holds a Masters Degree in Botany from Cornell University. As a taxonomist, Dr. Bauml specializes in the identification and classification of plants. He is presently Senior Biologist/Plant Taxonomist for the County of Los Angeles at the Los Angeles County Arboretum in Arcadia, California, a position he has held for ten years. Prior to that, he was a botanist at the Huntington Botanical Gardens in San Marino, California. *See* Bauml Decl. at ¶¶ 1-2.

On December 9, 1992, Mr. Bauml examined two bunches of cut heather flowers labeled Sunset and Ruby, and a live potted plant labeled Holiday Heather. He studied both the floral organs and vegetative features of each sample by using a dissecting microscope. His examination revealed "no discernable differences in the characteristics of the floral organs or these vegetative features among the three samples." *Id.* at ¶ 4. He further noted that the branching pattern of the Ruby heather was different from that of the Sunset heather or Holiday Heather. Specifically, he found that on average the secondary branches of the Ruby heather were more spreading with an effect less "wand-like" than the Holiday or Sunset heather. *Id.* at ¶ 5. He also noted that the Ruby heather

had a perceptively darker flower color than the Sunset or Holiday Heather. *Id.* (For pictures, see exhibits attached to R. Imazio Second Decl., Carrillo Decl., and B. Imazio Decl.)

On December 8, 1992, Brett Hall examined three samples of cut flowering heather plants labelled Holiday Heather, Erica Sunset, and Ruby Heather, respectively, and a fourth sample consisting of a live potted heather plant labelled Holiday Heather. Mr. Hall is Manager of the Arboretum at the University of California at Santa Cruz. He has been associated with the Arboretum for 17 years and has held the position of Manager for the last 15 years. Mr. Hall has a Bachelor of Arts degree in Botany from the University of California at Santa Cruz. As manager for the Arboretum, Mr. Hall is one of the people in charge of correctly identifying the plants in the Arboretum's collection and in staying abreast of changes in taxonomy. He has conducted many botanical field studies wherein he was required to taxomonically identify thousands of plants. *See* Hall Decl. at ¶ 1.

Using a dissecting microscope on December 8, 1992, Mr. Hall examined the external characteristics of the flowers clusters, the shapes of the flowers, the number of petals, and the various floral organs. Based upon his examination, he, like Mr. Bauml, found "no difference in floral characteristics between the samples labelled Holiday Heather and the sample labelled Erica Sunset heather." Specifically, he found no difference in the external floral characteristics, leaves and whole inflorescence, nor in the internal structure of the flowers. *Id.* at ¶ 4. He also noted that the Ruby heather differed from the Holiday Heather and the Erica Sunset in that the flowers were

slightly smaller and were slightly different in color (i.e. had a "rosier") color. *Id.* at ¶ 5. Based on these observations, he concluded that the Ruby heather is a different cultivar from the Holiday Heather and the Erica Sunset. *Id.* at ¶ 5.

After the preliminary injunction issued, Defendants, expert, Dr. McClintock, examined the Erica Sunset, the Holiday Heather, the Ruby heather, and a heather specimen taken from Manning's Heather Farm in 1968. Dr. McClintock received her Masters Degree in Botany from U.C.L.A. in the 1940s, and a Ph.D in botany from Michigan University in 1956. She served as the Curator of Botany for the California Academy of Sciences until her retirement in 1977. Since that time, she has been a research associate at the U.C. Berkeley Herbarium. She has been president of both the American Association of Botanic Gardens & Arboreta and the California Botanical Society, and has published two papers on the taxonomy of heathers. Dr. McClintock concludes that the Holiday Heather, the Ruby Heather, and the Erica Sunset are all the same as the specimen she collected in 1968 from Manning's Heather Farm. *See* McClintock Decl. of March 2, 1993. Although Dr. McClintock did not so expressly state, the only logical conclusion that can be drawn is that the accused Holiday Heather and patented Erica Sunset are also the same in relation to each other.

In addition to the expert testimony, Rosemarie Imazio, in a declaration submitted by Plaintiff, testifies that the Erica Sunset and the Holiday Heather share a blooming cycle which distinguishes them from other varieties of heather. *See* Sec. R. Imazio Decl. at ¶ 12. Moreover, in responding to Plaintiff's Statement of Material

Facts Not in Dispute, Defendants concede that the Holiday Heather blooms at the same time as the Erica Sunset. *See* Def. Response to Plaintiff's Statement of Material Facts Not in Dispute No. 2-5.

The undisputed evidence thus shows that the patented Erica Sunset heather and the Holiday Heather are the same plants both morphologically (internal and external characteristics) and phenologically (blooming cycle). Thus, Plaintiff has successfully demonstrated that the Holiday Heather is an asexual reproduction of the Erica Sunset. Accordingly, Plaintiff's motion for summary judgment on the issue of infringement is GRANTED.

CONCLUSION

Because there is a genuine issue of fact regarding the novelty and distinctiveness of the Erica Sunset's blooming cycle, Plaintiff's motion for summary judgment on the issue of validity is DENIED. However, because Plaintiff has presented undisputed evidence that the Erica Sunset and the Holiday Heather have the same morphological and phenological characteristics, Plaintiff's motion for summary judgment on the issue of infringement is GRANTED. As the Court has granted the motion for summary judgment only in part, Plaintiff's application for permanent injunction is DENIED.

IT IS SO ORDERED.

DATED: 9/2/93

/s/ Spencer Williams
U.S. DISTRICT
COURT JUDGE

APPENDIX E

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

IMAZIO NURSERY, INC., Plaintiff, v. DANIA GREENHOUSES, et al., Defendants.	CIVIL NO. 92-20755 SW FINAL JUDGMENT (Filed Jun 29, 1994)

The issue of infringement having been resolved in favor of Plaintiff in this Court's September 2, 1993 Order, the issues of patent validity and willful infringement having been decided by a jury in favor of Plaintiff, and the Court having determined that this case is exceptional within the meaning of 35 U.S.C. § 285, IT IS HEREBY ORDERED THAT judgment be entered in favor of Plaintiff/Counterdefendant Imazio Nursery, Inc. and against Defendants/Counterclaimants Dania Greenhouses, Coastal Nursery, Jess Rodrigues and Donna Rodrigues. Plaintiff shall take the following from Defendants:

(1) $101,279.20 in compensatory damages;

(2) $363,140.59 in attorney's fees, as accounted for in the Declaration of David Dillard, filed with this Court on June 6, 1994, the Supplemental Declaration of David Dillard, filed with this Court on June 24, 1994, and the Second Supplemental Declaration of David Dillard, filed with this Court on June 29, 1994;

(3) prejudgment interest compounded quarterly at the prime rate; and

(4) costs.

IT IS SO ORDERED.

DATED: 6/29/94

/s/ Spencer Williams
UNITED STATES
DISTRICT JUDGE

APPENDIX F

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

IMAZIO NURSERY, INC., Plaintiff, v. DANIA GREENHOUSE, COASTAL NURSERY, JESS RODRIGUES, and DONNA RODRIGUES, Defendants.	CIVIL NO. 92-20755(SW) ORDER GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION (Filed Dec. 16, 1992)

Plaintiff Imazio Nursery filed this suit for patent infringement against Defendants, alleging that the Holiday Heather plant sold by Coastal Nursery is identical to Plaintiff's patented Erica Sunset. Having considered the briefs and oral arguments, the Court finds that Plaintiff is likely to prevail on the merits in this action in showing that its patent is valid and infringed by the use and sale of Defendant's Holiday Heather plant; that it will be irreparably harmed by sales of potted Holiday Heather plants; that the balance of hardships tips in Plaintiff's favor; and that the public interest is best served by granting a preliminary injunction.

PROCEDURAL BACKGROUND

This plant patent infringement case was originally filed in the Central District but was then transferred to

the Northern District of California, as both parties are domiciled and the alleged infringement occurred in Watsonville, California. Upon transfer, the case was assigned to Judge Conti. However, on November 30, 1992, the case was reassigned to this Court for reasons of proper venue. In an Order filed on November 25, 1992, Judge Conti denied Plaintiff's motion for a temporary restraining order (hereafter "TRO"), finding that Plaintiff had "not yet made the requisite showing" of either a likelihood of success on the merits or a balance of hardships tipping sharply in its favor. Judge Conti further stated that "of course [Plaintiff is] free to present further evidence of infringement at the preliminary injunction state." The judge expressly "offer[ed] no opinion on the ultimate merits of [Plaintiff's] claim of infringement." Order of November 25, 1992 at 10:12-22. Plaintiff now moves this Court for an order granting preliminary injunction.

FACTUAL BACKGROUND

Imazio holds United States Plant Patent No. 5,336. The subject of this patent is a variety of heather known as "Erica Sunset." The patent states that the heather belongs to the genus *Erica*, the species *persoluta*, and the variety *Sunset*. *See* '336 Patent, col. 1, line 38, attached as Exh. A to Pl. Memo in Support of Application for TRO. According to the patent, this variety of heather was discovered by Bruno Imazio in 1983. Mr. Imazio was at the time in the business of growing and selling, among other plants, the species of heather known as persoluta. Most varieties of the persoluta species bloom in March and April. However, in 1983 Mr. Imazio discovered several plants among his persoluta field blooming in December. As few strains

of heather bloom so early, Mr. Imazio recognized the commercial potential and took cuttings in an attempt to isolate and reproduce this strain. He was successful; over the next two years he succeeded in asexually reproducing the strain, which he named Erica Sunset. This variety was visually similar to other varieties of persoluta. It was unique only in that it consistently bloomed in December and January, thus filling a commercial niche by providing a source of heather blossoms for the holiday seasons.

Imazio sought and, on November 13, 1984, obtained a plant patent for the new strain. He has successfully marketed cut flowers from that strain. Imazio does not, however, sell live Erica sunset plants, because reproduction of the strain would be much easier from a live plant than from cut flowers.

In December of 1991, a competitor of Imazio Nursery, Coastal Nursery (hereafter "Coastal"), began marketing a strain of heather named "Holiday Heather." Holiday Heather is alleged by Imazio to be identical to Erica Sunset, and is further alleged to infringe the Erica Sunset patent. Coastal's 1992 catalog offers for sale not only cut flowers from the Holiday Heather, but also live potted plants.

DISCUSSION

A. Legal Standard for Preliminary Injunction

In order to obtain a preliminary injunction, the moving party must show four things: (1) a likelihood of success on the merits, (2) irreparable harm should the injunction not issue, (3) a balance of hardships in the

moving party's favor, and (4) that the issuance of the injunction is in the public interest. *Datascope Corp. v. Kontron Inc.*, 786 F.2d 398, 400 (Fed. Cir. 1986). There is considerable interplay between these factors; the greater the likelihood of success on the merits, the less the balance of hardships must weigh in the moving party's favor, and vice versa. *State of Alaska v. Native Village of Venitie*, 856 F.2d 1384, 1389 (9th Cir. 1988).

In patent cases, a showing of likelihood of success on the merits in turn requires a showing of both validity of the patent and infringement. However, the caselaw [sic] is split on the question of whether, in order to prove infringement of a plant patent, the plaintiff must demonstrate only that the variety is the same, or whether the plaintiff must in addition demonstrate that the alleged infringing plant was in fact "copied" or grown from the patented plant. The more recent case, decided in the Northern District of California, states that the Plant Patent "Act bars the asexual reproduction and sale of any plant which is the same variety (i.e., has the same essential characteristics) as the patented plant, whether or not the infringing plant was originally cloned from the patented plant." *Pan-Am Plant Co. v. Matsui*, 433 F. Supp. 693, 694 n.2 (N.D. Cal. 1977) (hereafter "*Pan-Am*"). In *Yoder Bros., Inc. v. California-Florida Plant Corp.*, 537 F.2d 1347, 1380 (5th Cir. 1976) (hereafter "*Yoder*"), however, the court stated that the alleged infringer would not be liable in damages or subject to an injunction for infringement if he could show independent creation. It should be noted that under both cases, the plaintiff bears the initial burden of demonstrating that the accused and the patented plants are in fact the same. Once the plaintiff makes this

showing, the defendant could be relieved of liability by demonstrating independent creation only if the court applies the standard in *Yoder*. If the court adopts the standard in *Pan-Am*, the issue of independent creation would be irrelevant.

This Court does not believe that independent creation is a proper defense to patent infringement and, for that reason, adopts the standard enunciated in *Pan-Am*. It has been long recognized that the public interest is served by encouraging aggressive discovery. That is why patents are intended not only to reward the patentee for his discovery or invention, but also to reward him for quickly completing it. But if the economic rewards flowing from a patent were subject to erosion by an indeterminable number of subsequent inventors who could show independent creation, the potential inventor may not be as willing to invest large quantities of time and money pursuing his ideas. Moreover, there is some risk that the courts' recognition of an independent creation defense would inadvertently entice deliberate infringement, with a fraudulent defense of independent creation asserted. This defense would often prove difficult to rebut, since the evidence will generally lie exclusively within the control of the person asserting the defense.

B. Likelihood of Success on the Merits

1. Validity

Pursuant to 35 U.S.C. § 282, a patent is presumed valid, and the burden of invalidating the patent lies with

the defendant. *Roper Corp. v. Litton Systems, Inc.*, 757 F.2d 1266, 1269 (Fed. Cir. 1986).

Defendants claim that Plaintiff's patent is invalid because the patented Erica persoluta Sunset is really of the quadrangularis species, which has been commercially grown by Manning Heather Ranch since the late 1960s. The patent, however, states that the Erica Sunset is a variety of the persoluta species. Although there is some evidence that the persoluta species is also referred to as quadrangularis, the Court makes no finding on this issue here.

In support of this contention, Defendant submits the testimony of Dr. Elizabeth McClintock. Dr. McClintock received her Masters Degree in Botany from U.C.L.A. in the 1940s, and a Ph.D in botany from Michigan University in 1956. She served as the Curator of Botany for the California Academy of Sciences until her retirement in 1977. Since that time, she has been a research associate at the U.C. Berkeley Herbarium. She has been president of both the American Association of Botanic Gardens & Arboreta and the California Botanical Society, and has published two papers on the taxonomy of heathers.

Defendant claims to have given Dr. McClintock cut flowers from the patented Erica Sunset plant in order that she might examine them. Dr. McClintock examined the internal structure of the flowers she was given and, based on that examination, concluded that the flowers in fact belonged to the quadrangularis species of the Erica genus, not the persoluta species as indicated on the patent. The ultimate conclusion drawn by Dr. McClintock

was that Mr. Imazio had not discovered a new *species* of Erica.

Plaintiff claims that Dr. McClintock was *not* given flowers from the Erica sunset. The flowers she examined, Plaintiff asserts, were most likely a sample taken from the Sunset Ruby, a similar plant. While Defendants claims to have purchased on November 6, 1992 the Erica Sunset flowers they gave to Dr. McClintock, Plaintiff counters with the declaration of Rosemarie Imazio, the owner of Imazio nursery, who testifies that harvesting of the Erica Sunset heather did not even begin until December 1, 1992. *See* R. Imazio Second Decl. Confusion in this case is compounded by the fact that Imazio Nursery sells several varieties of heather which bloom in late fall and winter under the commercial trademark or brand name SUNSET. These include the patented Erica Sunset variety, and varieties which, for internal purposes, Imazio Nursery refers to as Early Sunset, Blue Stripe, Select Sunset, Sunset Flame, and Sunset Ruby. Plaintiff maintains that the patented Erica Sunset variety can be distinguished from these other varieties by external characteristics. These characteristics include the blooming period, the color of the flowers, and the shape of the branches. *See* R. Imazio Decl. (See photographs attached as exhibits to R. Imazio Second Decl.)

While Plaintiff contends that Dr. McClintock really inspected the Sunset Ruby, at the same time Plaintiff admits that the Erica Sunset and the Sunset Ruby belong to the same species. In so doing, Plaintiff tacitly concedes that the Erica Sunset, like the Sunset Ruby, belongs to the quadrangularis species. In fact, Plaintiff admitted this fact at oral argument. Plaintiff argues, however, that Mr.

Imazio never claimed to have discovered a new *species*, but claimed only to have discovered a new *variety* or *cultivar* of a known species which, on his patent, is called "Erica Sunset." Plaintiff asserts that the issue in this litigation is not to what *species* the Erica Sunset belongs. Rather, Plaintiff argues, the pertinent question is whether the Holiday Heather and the patented Erica Sunset heather are the same *variety*. Dr. McClintock did not address this question since she was not asked to compare the Plaintiff's plant with the Holiday Heather. Nor did Dr. McClintock even speak to what variety the Erica Sunset belonged.

In resolving this motion, it is important to understand the distinction between the taxonomy classifications of "genus," "species," and "variety" or "cultivar." Classification of plants involve a number of descending categories, each being the subdivision of the one preceding it. Those categories are as follows:

Kingdom
Division
Class
Order
Family
Genus
Species
Variety (also called "cultivar")
Form
Individual

Thus, "species" is a subdivision of the category "genus," and "variety" is a subdivision of the category "species."

Defendants have thus far failed to carry their burden to show that the patent is invalid. Defendants have presented no evidence that the *variety* of heather patented by Plaintiff was in existence before the patent issued. The testimony presented only indicates that the *species* patented by Plaintiff preexisted the patent. *See* McClintock Decl. However, as mentioned earlier, Plaintiff claimed only to have discovered a new variety of heather, not a new species. *See* Patent, attached as Exh. A. to Pl. Motion for TRO. Although Defendants now assert that they will be able to trace the lineage of Imazio Nursery's heathers to Azzaro nursery which grew many varieties of heather starting in the 1950s, the Court has received no evidence to support this claim.

2. Infringement

In support of its application for TRO, Plaintiff attempted to demonstrate infringement solely through the use of photographs. In opposition, Defendants submitted the uncontradicted testimony of Dr. McClintock who testified that it was impossible to make a determination of the identity or nonidentity of two samples of heather based solely on photographs; rather "an examination and comparison of the internal structure of the plants' flowers under a dissecting microscope must be done before the plants can be identified as the same or different." Decl. at 3. Based on this testimony, Judge Conti found that Plaintiff had produced insufficient evidence to show that the Erica Sunset and the Holiday Heather were the same. Accordingly, Judge Conti held

that Plaintiff had not carried its burden to demonstrate a probability of success on the merits.

In response to that Order, Plaintiff now presents the testimony of two experts, Mr. James Bauml and Mr. Brett Hall, who testify that the Erica Sunset and the Holiday Heather are the same. Mr. Bauml is Senior Biologist/Plant Taxonomist for the County of Los Angeles at the Los Angeles County Arboretum in Arcadia, California. He has held this position for ten years. Prior to that, he was a botanist at the Huntington Botanical Gardens in San Marino, California. Mr. Bauml holds a Masters Degree in Botany from Cornell University. As a taxonomist, he specializes in the identification and classification of plants. Bauml Decl. at 1-2.

On December 9, 1992, Mr. Bauml examined two bunches of cut heather flowers labeled Sunset and Ruby, and a live potted plant labeled Holiday Heather. Mr. Bauml used a dissecting microscope to examine the flowers from all three samples. He studied both the floral organs of the flowers and their vegetative features. His examination revealed "no discernible differences in the characteristics of the floral organs or these vegetative features among the three samples." Bauml Decl. 2:21-23. He further noted that the branching pattern of the Ruby heather was different from that of the Sunset heather or Holiday heather. Specifically, he found that on average the secondary branches of the Ruby heather were more spreading with an effect less "wand-like" than the Holiday or Sunset heathers. (For pictures, see exhibits attached to R. Imazio Second Decl., Carrillo Decl., and B. Imazio Decl., all located in Court file #3). He further

noted that the Ruby heather had a perceptively darker flower color than the Sunset or Holiday heather.

Brett Hall is the Manager of the Arboretum of the University of California at Santa Cruz. He has been associated with the Arboretum for 17 years and has held the position of Manager for the last 15 years. As manager of the Arboretum, he is one of the people in charge with correctly identifying the plants in the collection. He is also required to keep abreast of changes in taxonomy. Mr. Hall has conducted many botanical field studies wherein he has been required to taxonomically identify thousands of plants. He holds a Bachelor of Arts degree in Biology from the University of California at Santa Cruz.

On December 8, 1992, Mr. Hall examined three samples of cut flowering heather plants labelled Holiday Heather, Erica Sunset, and Ruby Heather, respectively, and a fourth sample consisting of a live potted heather plant labelled Holiday Heather. Using a dissecting microscope, he examined the external characteristics of the flowers clusters, the shapes of the flowers, the number of petals, and the various floral organs. Based upon his examination, he, like Mr. Bauml, found "no difference in floral characteristics between the samples labelled Holiday heather and the sample labelled Erica Sunset heather." Specifically, he found no difference in the external floral characteristics, leaves and whole inflorescence, nor in the internal structure of the flowers. He also noted that the Ruby heather differed from the Holiday Heather and the Erica Sunset in that the flowers were slightly smaller and were slightly different in color (i.e. had a

"rosier") color. Based on these observations, he concluded that the Ruby heather is a different cultivar from the Holiday Heather and the Erica Sunset.

In addition to the expert testimony, Rosemarie Imazio, in a declaration submitted by Plaintiff, and Maurilio Carrillo, in a declaration submitted by Defendants, both testify that the Erica Sunset and the Holiday Heather share a blooming cycle which distinguishes them from other varieties of heather. The evidence considered together suggests that the patented Erica Sunset heather and the Holiday Heather are the same variety.

Defendants have submitted no expert testimony in rebuttal which concludes that the Erica Sunset and the Holiday Heather are in fact different. Therefore, based on the uncontroverted evidence now before the Court, Plaintiff has shown a probability of success on the issue of infringement.

Since the Court has rejected the standard enunciated in *Yoder*, Defendants can not escape liability by showing independent creation. Therefore, the evidence submitted on this issue is not relevant here.

C. Relative Burden, Irreparable Harm, and Public Interest

In cases like this involving patent rights, irreparable harm is generally presumed once likelihood of success on the merits is demonstrated. *See e.g., H.H. Robertson v. United Steel Deck, Inc.*, 820 F.2d 384 (Fed. Cir. 1987). In further support, however, Imazio argues that it will suffer irreparable harm to its patent rights should Coastal be

permitted to sell live plants. Such sales, Imazio contends, would render further enforcement of its patent impracticable, as asexual reproduction from those live plants would be a simple matter for potential infringers. Imazio further argues that Coastal's sales would be without any notice of patent rights, further complicating any enforcement proceedings against subsequent infringers. Finally, Imazio argues that Coastal lacks the resources to satisfy any eventual monetary judgment.

Coastal, for their part, states that it anticipates sales of Holiday Heather on the order of $220,273 this year, and argue that it will be harmed in the total amount of $370,272, including loss of related sales and potential litigation costs, should it be barred from selling. Of course, these damages could be compensated by money. However, Defendants further argues irreparable harm in the marketplace, should they be prevented from filling orders already taken.

Plaintiff seeks an order precluding the sale of the Holiday Heather pending resolution of this matter, not destruction or confiscation of the Holiday Heather. As a practical matter, however, even if the injunction expired within a few weeks, Defendants would face considerable loss since the plants would not be in bloom thereafter anyway until next year.

In the Order denying TRO, Judge Conti held that he could not determine whether the balance of hardships tipped in either parties favor because the parties had not presented evidence of when Defendant would begin selling their Holiday Heather. In support of this motion for preliminary injunction, Plaintiff now presents evidence

that Defendant has already begun selling the Holiday Heather. *See* R. Imazio Second Decl.

In balancing the parties' interests, the Court finds it unnecessary to enjoin the sale of cut flowers from the Holiday Heather plant. If the Erica Sunset is not easily reproduced from cut flowers, there is no irreparable harm associated from their sale. However, Plaintiff would be irreparably harmed from the sale of live potted Holiday Heather plants if Plaintiff prevails on the merits in this action. On the other hand, Defendants will be able to fill its outstanding orders for cut flowers, and may even be able to fill some of its orders for live plants by substituting the cut flowers. Accordingly, the Court finds that the balance of hardships tips in Plaintiff's favor.

Finally, in regards to the final factor, it is also well-established that public policy weighs in favor of protection of patent rights. *Smith International, Inc. v. Hughes Toll Co.*, 718 F.2d 1573 (Fed. Cir. 1983); *Augat Inc. v. John Mezzalinguina Assoc., Inc.*, 642 F. Supp. 506, 509 (N.D.N.Y. 1986) (public policy weighted toward protection of patent holders).

On the basis of the foregoing, IT IS HEREBY ORDERED THAT Defendants and their officers, agents, servants, employees, attorneys, representatives, and all persons in active concert or participation with them are enjoined, pending trial in this action, from selling, shipping, giving away, trading or otherwise disposing of potted heather plants of the variety sold by Defendants as Holiday Heather. Defendants shall keep a detailed accounting of the number of cut bunches of Holiday

Heather flowers it sells, as well as the number of unfilled requests it may receive for live potted plants.

IT IS FURTHER ORDERED that Plaintiff shall post a bond, pursuant to Federal Rule of Civil Procedure 65(c), in the sum of $200,000, to secure the payment of such damages by any Defendant who is found to have been wrongfully enjoined. Such bond shall be posted by December 18, 1992. If the bond is not posted by that date, Defendants may keep the shipments commitments for the week of December 20, 1992.

IT IS SO ORDERED.

DATED: 12/16/92

/s/ Spencer Williams
U.S. DISTRICT COURT JUDGE

APPENDIX G

SENATE

71st Congress
2d Session

Report
No. 315

PLANT PATENTS

APRIL 2 (calendar day, APRIL 3), 1930.
– Ordered to be printed

MR. GOLDSBOROUGH, from the Committee on Patents, submitted the following

REPORT

[To accompany S. 4015]

The Committee on Patents, to whom was referred the bill (S. 4015) to provide for plant patents, have considered the same and report thereon with amendments, and, as so amended, recommend that the bill do pass.

All of the committee amendments except two are clerical in character. As to the two amendments, one adds to the bill the usual separability clause and the other eliminates from the scope of the bill patents for varieties of plants which exist in an uncultivated or wild state, but are newly found by plant explorers or others.

I. PURPOSES OF THE BILL

The purpose of the bill is to afford agriculture, so far as practicable, the same opportunity to participate in the benefits of the patent system as has been given industry,

and thus assist in placing agriculture on a basis of economic equality with industry. The bill will remove the existing discrimination between plant developers and industrial inventors. To these ends the bill provides that any person who invents or discovers a new and distinct variety of plant shall be given by patent an exclusive right to propagate that plant by asexual reproduction; that is, by grafting, budding, cuttings, layering, division, and the like, but not by seeds.

STIMULATION OF PLANT BREEDING

To-day the plant breeder has no adequate financial incentive to enter upon his work. A new variety once it has left the hands of the breeder may be reproduced in unlimited quantity by all. The originator's only hope of financial reimbursement is through high prices for the comparatively few reproductions that he may dispose of during the first two or three years. After that time, depending upon the speed with which the plant may be asexually reproduced, the breeder loses all control of his discovery. Under the bill the originator will have control of his discovery during a period of 17 years, the same term as under industrial patents. If the new variety is successful, the breeder or discoverer can expect an adequate financial reward. To-day plant breeding and research is dependent, in large part, upon Government funds to Government experiment stations, or the limited endeavors of the amateur breeder. It is hoped that the bill will afford a sound basis for investing capital in plant breeding and consequently stimulate plant development through private funds.

In addition, the breeder to-day must make excessive charges for specimens of the new variety disposed of by him at the start in order to avail himself of his only opportunity for financial reimbursement. Under the bill the breeder may give the public immediate advantage of the new varieties at a low price with the knowledge that the success of the variety will enable him to recompense himself through wide public distribution by him during the life of the patent. The farmers and general public that buy plants will be able promptly to obtain new improved plants at a more moderate cost.

ECONOMIC BENEFIT TO AGRICULTURE AND THE PUBLIC

The food and timber supply of the Nation for the future is dependent upon the introduction of new varieties. Many millions of Federal and private funds are annually spent in combating disease through plant quarantines, disinfection, spraying, and other methods. The phoney peach disease has threatened the important peach supply of Georgia and the welfare of one of the most important industries of that State. The chestnut blight has wiped the eastern forests clean of the valuable chestnut tree. The white pine blister rust threatens the white-pine forests. The plant pathologist has through his experiments attempted with but slight success to combat these plant diseases. But an equally valuable means of combating plant disease is the development of new disease resistant varieties by the plant breeder. The bill proposes to give the breeder the incentive to develop such varieties without the aid of Federal funds.

Similarly, the development of drought-resistant and cold-resistant varieties of plants is of great importance to agriculture. An apple with greater resistance to cold is one of the demands of the northern portion of the country. We must look to the plant breeder for an acceptable substitute for rubber. The improvement of medicinal plants is an unexplored field. The spectacular development of new classes of plants, such as the loganberry and many of Burbank's products, is only a small part of the economic benefit to the country afforded by successful plant breeding.

No one will question the fact that new varieties of food, medicinal, and other economic plants may be an important factor in maintaining public health and in promoting public safety and national defense. Thus the food supply of the Nation, both from the viewpoint of the producer and the user, is of vital importance, and insurance against failure in that supply is necessary to public safety and national prosperity. Plant breeding and discovery, while in its infancy, is fundamentally connected with the Nation's food supply, and will, if encouraged and developed, be of incalculable value in maintaining public health and prosperity, and in promoting public safety and the national defense. Finally, plant patents will mean better agricultural products that will give the public more actual value for its dollar.

II. Bill Generally Advocated

The proposed legislation was originally introduced by Senator Townsend as S. 3530 of this session. The present measure is substantially the same as the original

bill except for the elimination of patents for certain newly found plants and the granting of patents irrespective of the fact that the plant may, under some conditions, reproduce itself without human aid.

The proposed legislation has been generally advocated. The Secretary of Agriculture, whose letter appears in full in Appendix A to this report, states that –

> The proposed legislation would appear to be desirable and to lend far-reaching encouragement to agriculture and benefit to the general public.

Mr. Thomas A. Edison states that –

> Nothing that Congress could do to help farming would be of greater value and permanence than to give to the plant breeder the same status as the mechanical and chemical inventors now have through the patent law. There are but few plant breeders. This [the bill] will, I feel sure, give us many Burbanks.

The proposed legislation has been endorsed by former Secretary of Agriculture Jardine, the National Horticultural Council, the American Association of Nurserymen, the American Farm Bureau Federation, the National Grange, and many State commissioners of agriculture, experiment station officials, and individual growers and nurserymen.

III. Explanation of Provisions of Bill

Classes of new varieties

New and distinct varieties fall into three classes – sports, mutants, and hybrids.

In the first class of cases, the sports, the new and distinct variety results from bud variation and not seed variation. A plant or portion of a plant may suddenly assume an appearance or character distinct from that which normally characterizes the variety or species.

In the second class of cases, the mutants, the new and distinct variety results from seedling variation by self pollenization of species.

In the third class of cases, the hybrids, the new and distinct variety results from seedlings of cross pollenization of two species, two varieties, or of a species and a variety. In this case the word "hybid" is used in its broadest sense.

All such plants must be asexually reproduced in order to have their identity preserved. This is necessary since seedlings either of chance or self-pollenization from any of these would not preserve the character of the individual.

These cultivated sports, mutants, and hybrids are all included in the bill, and probably embrace every new variety that is included. The exclusion of a wild variety, the chance find of the plant explorer, is in no sense a limitation on the usefulness of the bill to those who follow agriculture or horticulture as a livelihood and who are permitted under the bill to patent their discoveries.

PATENT GRANTS RIGHT OF ASEXUAL REPRODUCTION ONLY

Whether the new variety is a sport, mutant, or hybrid, the patent right granted is a right to propagate the new variety by asexual reproduction. It does not

include the right to propagate by seeds. This limitation in the right granted recognizes a practical situation and greatly narrows the scope of the bill. Whether the new variety is a hybrid, mutant or sport, there is never more than one specimen of it produced except through asexual reproduction. For example, without asexual reproduction there would have been but one true McIntosh or Greening apple tree. These varieties of apple could not have been preserved had it not been through human effort in the asexual reproduction of the two original trees. They could not have been reproduced true to the type by nature through seedlings. The bill, therefore, proposes to afford through patent protection an incentive to asexually reproduce new varieties. Many varieties of apples equally as valuable as the McIntosh or Greening have undoubtedly been created and disappeared beyond human power of recovery because no attempt was made to asexually reproduce the new varieties. The present bill by its patent protection proposes to give the necessary incentive to preserve new varieties. On the other hand, it does not give any patent protection to the right of propagation of the new variety by seed, irrespective of the degree to which the seedlings come true to type.

DISTINCT VARIETIES

The bill authorizes the grant of a patent only in case the new variety is distinct. It is not necessary that the new variety be a new species, but the bill does not exclude a new and distinct species from being patented. On the other hand, in order for the new variety to be distinct it must have characteristics clearly distinguishable from those of existing varieties, and it is immaterial

whether in the judgment of the Patent Office the new characteristics are inferior or superior to those of existing varieties. Experience has shown the absurdity of many views held as to the value of new varieties at the time of their creation.

The characteristics that may distinguish a new variety would include among others, those of habit; immunity from disease; resistance to cold, drought, heat, wind, or soil conditions; color of flower, leaf, fruit, or stems; flavor; productivity, including ever-bearing qualities in case of fruits; storage qualities; perfume; form; and ease of asexual reproduction. Within any one of the above or other classes of characteristics the differences which would suffice to make the variety a distinct variety, will necessarily be differences of degree. While the degree of difference sufficient for patentability will undoubtedly be a difficult administrative question in some instances, the situation does not present greater difficulties than many that arise in the case of industrial patents.

In specifying the differences in characteristics the Patent Office will undoubtedly follow the practice among botanists in making use of verbal descriptions and photographic and other reproductions, taking some known plant as a basis of comparison. Modern methods of identification, together with such amplification thereof as may reasonably be expected, will render it possible and practicable to describe clearly and precisely the characteristics of a particular variety. When this can not be done by an applicant for a patent, the variety is not clearly distinguishable as a distinct variety, and no patent would issue.

Of course, allowance must be made for those minor differences in characteristics, commonly called fluctuations, which follow from variations in methods of cultivation or environment and are temporary rather than permanent characteristics of the plant.

EXCEPTION OF TUBER-PROPAGATED PLANTS

The bill excepts from the right to a patent the invention or discovery of a distinct and new variety of a tuber-propagated plant. The term "tuber" is used in its narrow horticultural sense as meaning a short, thickened portion of an underground branch. It does not cover, for instance, bulbs, corms, stolons, and rhizomes. Substantially, the only plants covered by the term "tuber-propagated" would be the Irish potato and the Jerusalem artichoke. This exception is made because this group alone, among asexually reproduced plants, is propagated by the same part of the plant that is sold as food.

THE PREREQUISITE OF ASEXUAL REPRODUCTION

It is not only necessary that the new and distinct variety of plant shall have been invented or discovered, but it is also necessary that it shall have been asexually reproduced prior to the application for patent. A plant patent covers only the exclusive right of asexual reproduction, and obviously it would be futile to grant a patent for a new and distinct variety unless the variety had been demonstrated to be susceptible of asexual reproduction. Of course, theoretically under laboratory conditions it is probable that all plants can be asexually reproduced, but it is hardly to be expected that a patent

will be applied for unless at the time of application the plant can be asexually reproduced upon a commercial scale or else there is reasonable expectation that it can be so reproduced in the near future.

COOPERATION WITH DEPARTMENT OF AGRICULTURE

The bill proposes that the President may facilitate the administration of its provisions by the Patent Office through requiring the Secretary of Agriculture, to furnish the Commissioner of Patents with available information in the department, to conduct necessary research, and to detail to the Patent Office technical employees of the department. As to this feature the Secretary of Agriculture states in his letter set forth in Appendix A to this report that –

> As determination of the newness of varieties could not be made solely upon the basis of descriptive matter and drawings, it is evident that the specimens, photographs, paintings, descriptions, etc., of existing plants, already available in various forms in the Department of Agriculture and elsewhere, will be of great value, increased in due time by extension of such collections of plants and data.
>
> The effective administration of such legislation would require expert personnel, comparable in their lines, with the specialists now employed by the Patent Office. The technical personnel of the Department of Agriculture, although possibly inadequate to meet future demands, would be available in making such determinations as would be necessary in carrying out the purposes of such a law.

APPLICATION TO EXISTING PLANTS

In accordance with existing patent law, the bill would not permit the patenting of plants that have been in public use, either before or after the approval of the bill, for more than two years. Furthermore, it was considered unnecessary to provide specifically that the bill shall permit the patenting of plants now in process of creation, under observation, under test, or in existence but not yet given to the public, as that appears to the committee to be covered adequately by the existing provisions of section 4886 of the Revised Statutes. With reference to plants, the words "public use" in that section would apply to the period during which the new variety is asexually reproduced for sale.

IV. Legal Phases of the Bill

The committee is of the opinion after careful consideration that the amendments to the patent laws proposed by the bill fall within the legislative power of Congress under Article I, section 8, of the Constitution–

> To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;

Present patent laws apply to –

> any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvement thereof * * * .

It will be noted that the laws apply both to the acts of inventing and discovery and this alternative application

has been true of the patent laws from their beginning. See, for instance, the patent act of 1790 (1 Stat. 109). The amendment proposed by the pending bill to care for plant patents likewise applies to "any person who has invented or discovered" the particular variety of plant.

There can be no doubt that the grant of plant patents constitutes a promotion of "the progress of science and useful arts" within the meaning of the constitutional provision. The only question is, Is the new variety a discovery and is the originator or discoverer an inventor?

There is a clear and logical distinction between the discovery of a new variety of plant and of certain inanimate things, such, for example, as a new and useful natural mineral. The mineral is created wholly by nature unassisted by man and is likely to be discovered in various parts of the country; and, being the property of all those on whose land it may be found, its free use by the respective owners should of course be permitted. On the other hand, a plant discovery resulting from cultivation is unique, isolated, and is not repeated by nature, nor can it be reproduced by nature unaided by man, and such discoveries can only be made available to the public by encouraging those who own the single specimen to reproduce it asexually and thus create an adequate supply.

It is obvious that nature originally creates plants but it can not be denied that man often controls and directs the natural processes and produces a desired result. In such cases the part played by nature and man can not be completely separated or weighed or credited to one or the other. Nature in such instances, unaided by man, does not reproduce the new variety true to type.

Furthermore, there is no apparent difference, for instance, between the part played by the plant originator in the development of new plants and the part played by the chemist in the development of new compositions of matter which are patentable under existing law. Obviously, these new compositions of matter do not come into being solely by act of man. The chemist who invents the composition of matter must avail himself of the physical and chemical qualities inherent in the materials used and of the natural principles applicable to matter. Whether or not he is aware of these principles does not affect the question of patentability. The inventor of the composition of matter may have definitely in mind the new product and definitely worked toward it. On the other hand, as is true of many of the most important inventions, he may accidentally discover the product, perhaps in the course of the regular routine of his work. He does not have to show, for instance, that he mixed the elements and expected them to produce the particular composition of matter. He may simply find the resulting product and have the foresight and ability to see and appreciate its possibilities and to take steps to preserve its existence.

The same considerations are true of the plant breeder. He avails himself of the natural principles of genetics and of seed and bud variations. He cultivates the plants in his own laboratory under his own eye. He may test and experiment with them on a variety of proving grounds. He may promote natural cross-pollination by growing the parent plants in juxtaposition. For instance, because of manual difficulties artificial hand pollination is impracticable in the production of seed of the genus compositae, including such species as dahlias, chrysanthemums,

asters, daisies, and the like, and also in the case of many of the small fruits. In other cases hand pollination is unnecessary; natural pollination does equally well. On the other hand, if the periods of the bloom of the plants differ, hand pollination and the camel's-hair brush must be used. Again, orchids, avocados, grapes, and most orchard fruits are subjected to hand pollination. In the case of sports, the plant breeder not only cultivates the plants but may subject them to various conditions of cultivation to encourage variation, as, for example, in some recent developments, the subjection of the plants to the effects of X rays or to abnormal fertilization. Finally, the plant breeder must recognize the new and appreciate its possibilities either for public use or as a basis for further exercise of the art of selection.

Moreover, it is to be noted that the committee has, by its amendment in striking out the patenting of "newly found" varieties of plants, eliminated from the scope of the bill those wild varieties discovered by the plant explorer or other person who has in no way engaged either in plant cultivation or care and who has in no other way facilitated nature in the creation of a new and desirable variety.

But even were the plant developer's contributions in aid of nature less creative in character than those of the chemist in aiding nature to develop a composition of matter which has theretofore been nonexistent (an assumption which the committee does not believe to have basis in fact and which is here made solely for purposes of argument), nevertheless the protection by patents of those engaged in plant research and discovery would not be beyond the constitutional power of the Congress.

At the time of the adoption of the Constitution the term "inventor" was used in two senses. In the first place the inventor was a discoverer, one who finds or finds out. In the second place an inventor was one who created something new. All the dictionaries at the time of the framing of the Constitution recognized that "inventor" included the finder out or discoverer as well as the creator of something new. Thus Sheridan in 1790 defined "inventor" as "A finder out of something new," and "invention" as "discovery." Kersey in 1708 defined "invention" as "the act of inventing, or finding," and Martin in 1754 defined "to invent" as "to find out or discover." The word "discover" or "discovery" is given as an equivalent by Cocker in 1715 and 1724, Ash in 1775, Perry in 1795, Entick in 1786, Fenning in 1771, and Barclay in 1841. "To find" or "find out" or "finding" as a synonym of invent or inventor, was noted by Rider in 1617, Holy-oke in 1649, Coles in 1724, Johnson in 1824, Kendrick in 1773, Martin in 1754, Kersey in 1708, Sheridan in 1790, Ash in 1775, Cocker in 1715 and 1724, Entick in 1786 and 1791, Fenning in 1771, and Coxe in 1813.

The distinction between discovering or finding out on the one hand and creating or producing on the other hand, being recognized in the dictionaries current at the time of the framing of the Constitution, it is reasonable to suppose the framers of the Constitution attributed to the term "inventor" the then customary meaning. That they did not ignore the meaning of inventor as "a discoverer or finder out" is furthermore indicated by the fact that in the Constitution itself the framers referred to the productions of inventors as "discoveries."

With the development of the patent laws and modern industry the meaning of the word "inventor" as a creator of something new became the prevailing use and, while both meanings of inventor are still recognized in such modern dictionaries as Murray's New English Dictionary, Webster's New International Dictionary, and the Century Dictionary and Encyclopedia, the meaning of inventor as "a finder out or discoverer" is now considered obsolete or archaic. However, it seems to the committee that the meaning to be attached to the term "inventor" as used in the Constitution must be the meaning in general use at the time of the framing of the Constitution rather than the meaning prevailing in present-day usage.

Furthermore, there are many instances where the provisions of the Constitution have been held to embrace affairs which, while literally within the meaning of a constitutional phrase, were not conceived of by the framers at the time that the Constitution was written. For example, the power to regulate interstate commerce, which was then mainly by horse or by rowboat or sailboat, is now held by the courts to cover regulation of steam transportation, telegraphic communication, and even radio communication, matters beyond the wildest dreams of the framers of the Constitution.

An indication of the construction that the courts are likely to place on the word "inventor" in the constitutional provision can be found in their construction of the words "author" and "writer" in the same paragraph. The Constitution gives Congress power –

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors

the exclusive Right to their respective Writings and Discoveries.

Under this provision the original act of May 31, 1790 (1 Stat. 124), allowed copyright of maps and charts as well as books. By successive legislation this right was extended to include photographs, statues, models, and designs. (See, for instance, 35 Stat. 1075.) It might well be doubted whether map makers, chart makers, photographers, sculptors, modelers, and designers were "authors," and whether maps, charts, photographs, statues, models, and designs were "writings," but the constitutionality of this legislation has been sustained from the beginning. Thus in Lithographic Co. *v.* Sarony (1883, 111 U. S. 53) it was contended that a photograph was not a writing nor the production of an author, but the Supreme Court sustained the statute allowing a copyright for photographs.

As to copyrights there was doubt on two words, "authors" and "writings," which certainly do not have in ordinary speech such broad meanings as Congress and the Supreme Court have given them. But the court had no difficulty in sustaining a sufficiently liberal construction. As to patents the doubt is only as to the one word, "inventors." The word "discovery" aptly describes the situation when a new and distinct variety of plant is found and "inventors" is certainly as elastic a word as "authors." It is not to be expected that the courts would place themselves in the position of impeding the progress of the science and useful art of agriculture by holding to so narrow a definition of the word "inventor" as to find that the proposed legislation was undoubtedly beyond the power of the Congress.

APPENDIX A. LETTER OF SECRETARY OF AGRICULTURE

[Note. – The letter of the Secretary of Agriculture is addressed to the proposed legislation as originally introduced as S. 3530 of the present session. As heretofore stated in the report, there are only minor differences between that bill and the bill as reported by the committee.]

DEPARTMENT OF AGRICULTURE,
Washington, D. C.

Hon. CHARLES W. WATERMAN,
Chairman Senate Patents Committee,
United States Senate.

MY DEAR SENATOR: Receipt of yours of the 21st instant, with inclosure of a copy of the bill S. 3530, introduced by Senator Townsend to amend section 4886 of the Revised Statutes, is acknowledged. As the result of examination of the bill by plant specialist of the department, the following comments and suggestions are submitted:

The evident purpose of the bill is to encourage the improvement of some kinds of cultivated plants, both through breeding and discovery of better varieties, by granting to the breeders or finders of new and distinct varieties of such plants the exclusive control over the reproduction of their creations and discoveries, presumably for the same period of years now covered by patents on inventions. This purpose is sought to be accomplished by bringing the reproduction of such newly bred or found plants under the patent laws which at the present

time are understood to cover only inventions or discoveries in the field of inanimate nature. This it is proposed to accomplish by amending section 4886 of the Revised Statutes so as to make it possible to patent "any new and distinct variety of an asexually reproduced plant other than a tuber-propagated plant or a plant which reproduces itself without human aid." The operation of the present law is understood to rest upon the filing by the inventor of such properly authenticated verbal descriptions, designs, drawings, or other descriptive matter as will fully disclose the nature of his invention or discovery, thereby enabling one skilled in the art to which it relates to make effective practical application of the invention or discovery. Bill S. 3530 proposes in effect to authorize the patenting of certain distinguishable forms of plants which are capable of reproduction and multiplication through the operation of physiological processes with human aid.

Page 2, lines 8 to 13, which in the bill read as follows, "*Provided*, That the words 'invented' and 'discovered' as used in this section, in regard to asexually reproduced plants, shall be interpreted to include invention and discovery in the sense of finding a thing already existing and reproducing the same as well as in the sense of creating," interpreted in the light of agricultural and horticultural experience and history, would appear to make possible the patenting of the reproduction of any new and distinct variety wherever discovered, provided it meets the other specifications of the bill.

This possibility of reward would undoubtedly influence the public to be more observant of plants and thus tend to prevent the waste of many valuable new varieties

which occur naturally but are now lost to mankind through neglect or lack of appreciation of their value.

As determination of the newness of varieties could not be made solely upon the basis of descriptive matter and drawings, it is evident that the specimens, photographs, paintings, descriptions, etc., of existing plants, already available in various forms in the Department of Agriculture and elsewhere, will be of great value, increased in due time by extension of such collections of plants and data.

The effective administration of such legislation would require expert personnel, comparable in their lines, with the specialists now employed by the Patent Office. The technical personnel of the Department of Agriculture, although possibly inadequate to meet future demands, would be available in making such determinations as would be necessary in carrying out the purposes of such a law.

The proposed legislation would appear to be desirable and to lend far-reaching encouragement to agriculture and benefit to the general public.

Sincerely,

ARTHUR M. HYDE, *Secretary.*

APPENDIX B. TEXT OF BILL

[NOTE. – The following sets forth the text of the bill as it would appear with the committee amendments adopted. The italics indicate the changes to be made in the existing patent laws.]

A BILL To provide for plant patents

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 4884 and 4886 of the Revised Statutes, as amended (U. S. C., title 35, secs. 40 and 31), are amended to read as follows:

"SEC. 4884. Every patent shall contain a short title or description of the invention or discovery, correctly indicating its nature and design, and a grant to the patentee, his heirs or assigns, for the term of seventeen years, of the exclusive right to make, use, and vend the invention or discovery (*including in the case of a plant patent the exclusive right to asexually reproduce the plant*) throughout the United States and the Territories thereof, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof.

"SEC. 4886. Any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvements thereof, *or who has invented or discovered and asexually reproduced any distinct and new variety of plant other than a tuber-propagated plant,* not known or used by others in this country, before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, or more than two years prior to his application, and not in public use or on sale in this country for more than two years prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law, and other due proceeding had, obtain a patent therefor."

SEC. 2. Section 4888 of the Revised Statutes, as amended (U. S. C., title 35, sec. 33), is amended by adding at the end thereof the following sentence: *"No plant patent shall be declared invalid on the ground of noncompliance with this section if the description is made as complete as is reasonably possible."*

SEC. 3. The first sentence of section 4892 of the Revised Statutes, as amended (U. S. C., title 35, sec. 35), is amended to read as follows:

"SEC. 4892. The applicant shall make oath that he does verily believe himself to be the original and first inventor or discoverer of the art, machine, manufacturer, composition, or improvement, *or of the variety of plant,* for which he solicits a patent; that he does not know and does not believe that the same was ever before known or used; and shall state of what country he is a citizen."

SEC. 4. The President may by Executive order direct the Secretary of Agriculture (1) to furnish the Commissioner of Patents such available information of the Department of Agriculture, or (2) to conduct through the appropriate bureau or division of the department such research upon special problems, or (3) to detail to the Commissioner of Patents such officers and employees of the department, as the commissioner may request for the purposes of carrying this Act into effect.

SEC. 5. If any provision of this Act is declared unconstitutional or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and the application thereof to other persons or circumstances shall not be affected thereby.

APPENDIX H

HOUSE OF REPRESENTATIVES

71ST CONGRESS	)	(REPORT
2D SESSION	)	(No. 1129
	)	(

PLANT PATENTS

APRIL 10, 1930. – Referred to the House Calendar and ordered to be printed

Mr. VESTAL, from the Committee on Patents, submitted the following

REPORT

[To accompany H. R. 11372]

The Committee on Patents, to whom was referred the bill (H. R. 11372) to provide for plant patents, have considered the same and report thereon with amendments, and, as so amended, recommend that the bill do pass.

As to the two committee amendments, one adds to the bill the usual separability clause and the other eliminates from the scope of the bill patents for varieties of plants which were introduced to the public prior to the approval of the Act.

I. PURPOSES OF THE BILL

The purpose of the bill is to afford agriculture, so far as practicable, the same opportunity to participate in the benefits of the patent system as has been given industry,

and thus assist in placing agriculture on a basis of economic equality with industry. The bill will remove the existing discrimination between plant developers and industrial inventors. To these ends the bill provides that any person who invents or discovers a new and distinct variety of plant shall be given by patent an exclusive right to propagate that plant by asexual reproduction; that is, by grafting, budding, cuttings, layering, division, and the like, but not by seeds. The bill does not provide for patents upon varieties of plants newly found by plant explorers or others, growing in an uncultivated or wild state.

STIMULATION OF PLANT BREEDING

To-day the plant breeder has no adequate financial incentive to enter upon his work. A new variety once it has left the hands of the breeder may be reproduced in unlimited quantity by all. The imaginator's only hope of financial reimbursement is through high prices for the comparatively few reproductions that he may dispose of during the first two or three years. After that time, depending upon the speed with which the plant may be asexually reproduced the breeder loses all control of his discovery. Under the bill the originator will have control of his discovery during a period of 17 years, the same term as under industrial patents. If the new variety is successful, the breeder or discoverer can expect an adequate financial reward. To-day plant breeding and research is dependent, in large part, upon Government funds to Government experiment stations, or the limited endeavors of the amateur breeder. It is hoped that the bill will afford a sound basis for investing capital in plant

breeding and consequently stimulate plant development through private funds.

In addition, the breeder to-day must make excessive charges for specimens of the new variety disposed of by him at the start in order to avail himself of his only opportunity for financial reimbursement. Under the bill the breeder may give the public immediate advantage of the new varieties at a low price with the knowledge that the success of the variety will enable him to recompense himself through wide public distribution by him during the life of the patent. The farmers and general public that buy plants will be able promptly to obtain new improved plants at a more moderate cost.

No one has advanced a just and logical reason why reward for service to the public should be extended to the inventor of a mechanical toy and denied to the genius whose patience, foresight, and effort have given a valuable new variety of fruit or other plant to mankind.

This bill is intended not only to correct such discrimination, but in doing so it is hoped the genius of young agriculturists of America will be enlisted in a profitable work of invention and discovery of new plants that will revolutionize agriculture as inventions in steam, electricity, and chemistry have revolutionized those fields and advanced our civilization.

On this point the late Luther Burbank has said:

I have been for years in correspondence with leading breeders, nurserymen, and Federal officials and I despair of anything being done at present to secure to the plant breeder any adequate returns for his enormous outlays of

energy and money. A man can patent a mousetrap or copyright a nasty song, but if he gives to the world a new fruit that will add millions to the value of earth's annual harvests he will be fortunate if he is rewarded by so much as having his name connected with the result. Though the surface of plant experimentation has thus far been only scratched and there is so much immeasurably important work waiting to be done in this line I would hesitate to advise a young man, no matter how gifted or devoted, to adopt plant breeding as a life work until America takes some action to protect his unquestioned rights to some benefit from his achievements.

The only possible objection to such a measure as the present bill might come from a few propagators who would wish to continue their custom of unfairly appropriating the life work of the plant developers who have contributed their time and funds but have been helpless against this form of piracy under existing laws. The history of the men who have originated, developed, and introduced new plants of inestimable value to humanity and have died in poverty, amply demonstrates that this practice should be outlawed.

The committee fully concurs in the statements of leaders of agriculture who have expressed the opinion that this is one of the most constructive measures ever proposed for the permanent benefit of agriculture.

ECONOMIC BENEFIT TO AGRICULTURE AND THE PUBLIC

The food and timber supply of the Nation for the future is dependent upon the introduction of new varieties. Many millions of Federal and private funds are

annually spent in combating disease through plant quarantines, disinfection, spraying, and other methods. The phony peach disease has threatened the important peach supply of Georgia and the welfare of one of the most important industries of that State. The chestnut blight has wiped the eastern forests clean of the valuable chestnut tree. The white-pine blister rust threatens the white-pine forests. The plant pathologist has through his experiments attempted with but slight success to combat these plant diseases. But an equally valuable means of combating plant disease is the development of new disease-resistant varieties by the plant breeder. The bill proposes to give the breeder the incentive to develop such varieties without the aid of Federal funds.

Similarly, the development of drought-resistant and cold-resistant varieties of plants is of great importance to agriculture. An apple with greater resistance to cold is one of the demands of the northern portion of the country. We must look to the plant breeder for an acceptable substitute for rubber. The improvement of medicinal plants is an unexplored field. The spectacular development of new classes of plants, such as the loganberry and many of Burbank's products, is only a small part of the economic benefit to the country afforded by successful plant breeding.

No one will question the fact that new varieties of food, medicinal, and other economic plants may be an important factor in maintaining public health and in promoting public safety and national defense. Thus the food supply of the Nation, both from the viewpoint of the producer and the user, is of vital importance, and insurance against failure in that supply is necessary to public

safety and national prosperity. Plant breeding and discovery, while in its infancy, is fundamentally connected with the Nation's food supply, and will, if encouraged and developed, be of incalculable value in maintaining public health and prosperity, and in promoting public safety and the national defense. Finally, plant patents will mean better agricultural products that will give the public more actual value for its dollar.

II. Bill Generally Advocated

The proposed legislation has been generally advocated. The Secretary of Agriculture, whose letter appears in full in Appendix A to this report, states that –

The proposed legislation would appear to be desirable and to lend far-reaching encouragement to agriculture and benefit to the general public.

Mr. Thomas A. Edison states that –

Nothing that Congress could do to help farming would be of greater value and permanence than to give to the plant breeder the same status as the mechanical and chemical inventors now have through the patent law. There are but few plant breeders. This [the bill] will, I feel sure, give us many Burbanks.

Mrs. Luther Burbank has telegraphed as follows:

Informed that Congress is considering bill to protect through patent machinery the rights of plant breeders and experimenters to a share in the commercial returns of their discoveries in fruits and flowers. I hasten to acquaint you with Luther Burbank's very strong feeling

in this connection. He said repeatedly that until Government made some such provision the incentive to creatively work with plants was slight and independent research and breeding would be discouraged to the great detriment of horticulture. Mr. Burbank would have been unable to do what he did with plants had it not been for royalties from his writings and from other by-product lines of activity, but it must be remembered that most plant breeders and experimenters do not reach posts where any such revenues are available to them until too late in their lives to help them in financing their extremely expensive work. If Mr. Burbank were living I know he would be in forefront of the campaign to secure protection for other devoted men giving their lives to this service to mankind.

The proposed legislation has been indorsed by former Secretary of Agriculture Jardine, the National Horticultural Council, the American Association of Nurserymen, the American Farm Bureau Federation, the National Grange, and many State commissioners of agriculture, experiment station officials, and individual growers and nurserymen. The Commissioner of Patents approves the bill as amended by the committee.

III. Explanation of Provisions of Bill

Classes of new varieties

New and distinct varieties fall into three classes – sports, mutants and hybrids.

In the first class of cases, the sports, the new and distinct variety results from bud variation and not seed variation. A plant or portion of a plant may suddenly

assume an appearance or character distinct from that which normally characterizes the variety or species.

In the second class of cases, the mutants, the new and distinct variety results from seedling variation by self pollenization of species.

In the third class of cases, the hybrids, the new and distinct variety results from seedlings of cross pollenization of two species, two varieties, or of a species and a variety. In this case the word "hybrid" is used in its broadest sense.

All such plants must be asexually reproduced in order to have their identity preserved. This is necessary since seedlings either of chance or self-pollenization from any of these would not preserve the character of the individual.

These cultivated sports, mutants, and hybrids are all included in the bill, and probably embrace every new variety that is included. The exclusion of a wild variety, the chance find of the plant explorer, is in no sense a limitation on the usefulness of the bill to those who follow agriculture or horticulture as a livelihood and who are permitted under the bill to patent their discoveries.

PATENT GRANTS RIGHT OF ASEXUAL REPRODUCTION ONLY

Whether the new variety is a sport, mutant, or hybrid, the patent right granted is a right to propagate the new variety by asexual reproduction. It does not include the right to propagate by seeds. This limitation in the right granted recognizes a practical situation and greatly narrows the scope of the bill. Whether the new

variety is a hybrid, mutant or sport, there is never more than one specimen of it produced except through asexual reproduction. For example, without asexual reproduction there would have been but one true McIntosh or Greening apple tree.

These varieties of apples could not have been preserved had it not been through human effort in the asexual reproduction of the two original trees. They could not have been reproduced true to the type by nature through seedlings. The bill, therefore, proposes to afford through patent protection an incentive to asexually reproduce new varieties. Many varieties of apples equally as valuable as the McIntosh or Greening have undoubtedly been created and disappeared beyond human power of recovery because no attempt was made to asexually reproduce the new varieties. The present bill by its patent protection proposes to give the necessary incentive to preserve new varieties. On the other hand, it does not give any patent protection to the right of propagation of the new variety by seed, irrespective of the degree to which the seedlings come true to type.

DISTINCT VARIETIES

On the other hand, in order for the new variety to be distinct it must have characteristics clearly distinguishable from those of existing varieties, and it is immaterial whether in the judgment of the Patent Office the new characteristics are inferior or superior to those of existing varieties. Experience has shown the absurdity of many views held as to the value of new varieties at the time of their creation.

The bill authorizes the grant of a patent only in case the new variety is distinct. In order for a variety of plant to be distinct it is not necessary that it be a variety of a new species. A variety of plant may be patented if it is a new and distinct variety either of an existing or of a new species, or if it is an entirely new species of plant.

The characteristics that may distinguish a new variety would include, among others, those of habit; immunity from disease, resistance to cold, drought, heat, wind, or soil conditions; color of flower, leaf, fruit, or stems; flavor; productivity, including ever-bearing qualities in case of fruits; storage qualities; perfume; form; and ease of asexual reproduction. Within any one of the above or other classes of characteristics the differences which would suffice to make the variety a distinct variety, will necessarily be differences of degree. While the degree of difference sufficient for patentability will undoubtedly be a difficult administrative question in some instances, the situation does not present greater difficulties than many that arise in the case of industrial patents.

In specifying the differences in characteristics the Patent Office will undoubtedly follow the practice among botanists in making use of verbal descriptions and photographic and other reproductions, taking some known plant as a basis of comparison. Modern methods of identification, together with such amplification thereof as may reasonably be expected, will render it possible and practicable to describe clearly and precisely the characteristics of a particular variety. When this can not be done by an applicant for a patent, the variety is not clearly distinguishable as a distinct variety, and no patent would issue.

Of course, allowance must be made for those minor differences in characteristics, commonly called fluctuations, which follow from variations in methods of cultivation or environment and are temporary rather than permanent characteristics of the plant.

EXCEPTION OF TUBER-PROPAGATED PLANTS

The bill excepts from the right to a patent the invention or discovery of a distinct and new variety of a tuber-propagated plant. The term "tuber" is used in its narrow horticultural sense as meaning a short thickened portion of an underground branch. It does not cover for instance, bulbs, corms, stolons, and rhizomes. Substantially, the only plants covered by the term "tuber-propagated" would be the Irish potato and the Jerusalem artichoke. This exception is made because this group alone, among asexually reproduced plants is propagated by the same part of the plant that is sold as food.

THE PREREQUISITE OF ASEXUAL REPRODUCTION

It is not only necessary that the new and distinct variety of plant shall have been invented or discovered, but it is also necessary that it shall have been asexually reproduced prior to the application for patent. A plant patent covers only the exclusive right of asexual reproduction, and obviously it would be futile to grant a patent for a new and distinct variety unless the variety had been demonstrated to be susceptible of asexual reproduction. Of course, theoretically under laboratory conditions it is probable that all plants can be asexually reproduced, but it is hardly to be expected that a patent

will be applied for unless at the time of application the plant can be asexually reproduced upon a commercial scale or else there is reasonable expectation that it can be so reproduced in the near future.

COOPERATION WITH DEPARTMENT OF AGRICULTURE

The bill proposes that the President may facilitate the administration of its provisions by the Patent Office through requiring the Secretary of Agriculture, to furnish the Commissioner of Patents with available information in the department, to conduct necessary research, and to detail to the Patent Office technical employees of the department. As to this feature the Secretary of Agriculture states in his letter set forth in Appendix A to this report that –

As determinations of the newness of varieties could not be made solely upon the basis of descriptive matter and drawings, it is evident that the specimens, photographs, paintings, descriptions, etc., of existing plants, already available in various forms in the Department of Agriculture and elsewhere, will be of great value, increased in due time by extension of such collections of plants and data.

The effective administration of such legislation would require expert personnel, comparable in their lines, with the specialists now employed by the Patent Office. The technical personnel of the Department of Agriculture, although possibly inadequate to meet future demands, would be available in making such determinations as would be necessary in carrying out the purposes of such a law.

APPLICATION TO EXISTING PLANTS

The bill does not permit the patenting of plants that have been in public use or on sale for more than two years prior to application for patent, or (under the committee amendment) that have been offered generally for sale, prior to the approval of the Act. Furthermore, it was considered unnecessary to provide specifically that the bill shall permit the patenting of plants now in process of creation, under observation, under test, or in existence but not yet given to the public, as that appears to the committee to be covered adequately by the existing provisions of section 4886 of the Revised Statutes. With reference to plants, the words "in public use or on sale" would apply to the period during which the new variety is asexually reproduced for sale.

IV. Legal Phases of the Bill

The committee is of the opinion after careful consideration that the amendments to the patent laws proposed by the bill fall within the legislative power of Congress under Article I, section 8, of the Constitution –

> To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;

Present patent laws apply to –

> any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvement thereof * * * .

It will be noted that the laws apply both to the acts of inventing and discovery and this alternative application has been true of the patent laws from their beginning. See, for instance, the patent Act of 1790 (1 Stat. 109). The amendment proposed by the pending bill to care for plant patents likewise applies to "any person who has invented or discovered" the particular variety of plant.

There can be no doubt that the grant of plant patents constitutes a promotion of "the progress of science and useful arts" within the meaning of the constitutional provision. The only question is, Is the new variety a discovery and is the originator or discoverer an inventor?

There is a clear and logical distinction between the discovery of a new variety of plant and of certain inanimate things, such, for example, as a new and useful natural mineral. The mineral is created wholly by nature unassisted by man and is likely to be discovered in various parts of the country; and, being the property of all those on whose land it may be found, its free use by the respective owners should of course be permitted. On the other hand, a plant discovery resulting from cultivation is unique, isolated, and is not repeated by nature, nor can it be reproduced by nature unaided by man, and such discoveries can only be made available to the public by encouraging those who own the single specimen to reproduce it asexually and thus create an adequate supply.

It is obvious that nature originally creates plants but it can not be denied that man often controls and directs the natural processes and produces a desired result. In such cases the part played by nature and man can not be completely separated or weighed or credited to one or the

other. Nature in such instances, unaided by man, does not reproduce the new variety true to type.

Furthermore, there is no apparent difference, for instance, between the part played by the plant originator in the development of new plants and the part played by the chemist in the development of new compositions of matter which are patentable under existing law. Obviously, these new compositions of matter do not come into being solely by act of man. The chemist who invents the composition of matter must avail himself of the physical and chemical qualities inherent in the materials used and of the natural principles applicable to matter. Whether or not he is aware of these principles does not affect the question of patentability. The inventor of the composition of matter may have definitely in mind the new product and definitely worked toward it. On the other hand, as is true of many of the most important inventions, he may accidentally discover the product, perhaps in the course of the regular routine of his work. He does not have to show, for instance, that he mixed the elements and expected them to produce the particular composition of matter. He may simply find the resulting product and have the foresight and ability to see and appreciate its possibilities and to take steps to preserve its existence.

The same considerations are true of the plant breeder. He avails himself of the natural principles of genetics and of seed and bud variations. He cultivates the plants in his own laboratory under his own eye. He may test and experiment with them on a variety of proving grounds. He may promote natural cross-pollination by growing the parent plants in juxtaposition. For instance, because of

manual difficulties artificial hand pollination is impracticable in the production of seed of the genus compositae, including such species as dahlias, chrysanthemums, asters, daisies, and the like, and also in the case of many of the small fruits. In other cases hand pollination is unnecessary; natural pollination does equally well. On the other hand, if the periods of the bloom of the two parent plants differ, hand pollination and the camel's-hair brush must be used. Again, orchids, avocados, grapes, and most orchard fruits are subjected to hand pollination. In the case of sports, the plant breeder not only cultivates the plants but may subject them to various conditions of cultivation to encourage variation, as, for example, in some recent developments, the subjection of the plants to the effects of X rays or to abnormal fertilization. Finally, the plant originator must recognize the new and appreciate its possibilities either for public use or as a basis for further exercise of the art of selection. Moreover, it is to be noted that those wild varieties discovered by the plant explorer or other person who has in no way engaged either in plant cultivation or care and who has in no other way facilitated nature in the creation of a new and desirable variety are not within the scope of the bill.

But even were the plant developer's contributions in aid of nature less creative in character than those of the chemist in aiding nature to develop a composition of matter which has theretofore been nonexistent (an assumption which the committee does not believe to have basis in fact and which is here made solely for purposes of argument), nevertheless the protection by patents of those engaged in plant research and discovery would not be beyond the constitutional power of the Congress.

At the time of the adoption of the Constitution the term "inventor" was used in two senses. In the first place the inventor was a discoverer, one who finds or finds out. In the second place an inventor was one who created something new. All the dictionaries at the time of the framing of the Constitution recognized that "inventor" included the finder out or discoverer as well as the creator of something new. Thus Sheridan in 1790 defined "inventor" as "A finder out of something new," and "invention" as "discovery." Kersey in 1708 defined "invention" as "the act of inventing, or finding," and Martin in 1734 defined "to invent" as "to find out or discover." The word "discover" or "discovery" is given as an equivalent by Cocker in 1715 and 1724, Ash in 1775, Perry in 1795, Entick in 1786, Fenning in 1771, and Barclay in 1841. "To find" or "find out" or "finding" as a synonym of invent or inventor, was noted by Rider in 1617, Holy-oke in 1649, Coles in 1724, Johnson in 1824, Kendrick in 1773, Martin in 1754, Kersey in 1708, Sheridan in 1790, Ash in 1775, Cocker in 1715 and 1724, Entick in 1786 and 1791, Fenning in 1771, and Coxe in 1813.

The distinction between discovering or finding out on the one hand and creating or producing on the other hand, being recognized in the dictionaries current at the time of the framing of the Constitution, it is reasonable to suppose the framers of the Constitution attributed to the term "inventor" the then customary meaning. That they did not ignore the meaning of inventor as "a discoverer or finder out" is furthermore indicated by the fact that in the Constitution itself the framers referred to the productions of inventors as "discoveries."

With the development of the patent laws and modern industry the meaning of the word "inventor" as a creator of something new became the prevailing use and, while both meanings of inventor are still recognized in such modern dictionaries as Murray's New English Dictionary, Webster's New International Dictionary, and the Century Dictionary and Encyclopedia, the meaning of inventor as "a finder out or discoverer" is now considered obsolete or archaic. However, it seems to the committee that the meaning to be attached to the term "inventor" as used in the Constitution must be the meaning in general use at the time of the framing of the Constitution rather than the meaning prevailing in present day usage.

Furthermore, there are many instances where the provisions of the Constitution have been held to embrace affairs which, while literally within the meaning of a constitutional phrase, were not conceived of by the framers at the time that the Constitution was written. For example, the power to regulate interstate commerce, which was then mainly by horse or by rowboat or sailboat, is now held by the courts to cover regulation of steam transportation, telegraphic communication, and even radio communication, matters beyond the wildest dreams of the framers of the Constitution.

An indication of the construction that the courts are likely to place on the word "inventor" in the constitutional provision can be found in their construction of the words "author" and "writer" in the same paragraph. The Constitution gives Congress power –

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors

the exclusive Right to their respective Writings and Discoveries.

Under this provision the original Act of May 31, 1790 (1 Stat. 124), allowed copyright of maps and charts as well as books. By successive legislation this right was extended to include photographs, statues, models, and designs. (See, for instance, 35 Stat. 1075.) It might well be doubted whether map makers, chart makers, photographers, sculptors, modelers, and designers were "authors," and whether maps, charts, photographs, statues, models, and designs were "writings," but the constitutionality of this legislation has been sustained from the beginning. Thus in Lithographic Co. *v.* Sarony (1883, 111 U.S. 53) it was contended that a photograph was not a writing nor the production of an author, but the Supreme Court sustained the statute allowing a copyright for photographs.

As to copyrights there was doubt on two words, "authors" and "writings," which certainly do not have in ordinary speech such broad meanings as Congress and the Supreme Court have given them. But the court had no difficulty in sustaining a sufficiently liberal construction. As to patents the doubt is only as to the one word, "inventors." The word "discovery" aptly describes the situation when a new and distinct variety of plant is found and "inventors" is certainly as elastic a word as "authors." It is not to be expected that the courts would place themselves in the position of impeding the progress of the science and useful art of agriculture by holding to so narrow a definition of the word "inventor" as to find that the proposed legislation was undoubtedly beyond the power of the Congress.

APPENDIX A. LETTER OF SECRETARY OF AGRICULTURE

[NOTE. – The letter of the Secretary of Agriculture is addressed to the proposed legislation as originally introduced as H. R. 9765 of the present session. There are, however, only minor differences between that bill and the bill reported by the committee.]

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 17, 1930.

HON. A. H. VESTAL,
House of Representatives, Washington, D. C.

DEAR MR. VESTAL: I acknowledge your letter of March 12, asking for our opinion regarding H. R. 9765, to amend section 4886, of the Revised Statutes introduced by Congressman Purnell.

The evidence purpose of this bill is to encourage the improvement of some kinds of cultivated plants, both through breeding and discovery of better varieties, by granting to the breeders or finders of new and distinct varieties of such plants the exclusive control over the reproduction of their creations and discoveries, presumably for the same period of years now covered by patents on inventions. This purpose is sought to be accomplished by bringing the reproduction of such newly bred or found plants under the patent laws which at the present time are understood to cover only inventions or discoveries in the field of inanimate nature. This it is proposed to accomplish by amending section 4886 of the Revised Statutes so as to make it possible to patent "any new and distinct variety of an asexually reproduced plant other

than a tuber-propagated plant or a plant which reproduces itself without human aid." The operation of the present law is understood to rest upon the filing by the inventor of such properly authenticated verbal descriptions, designs, drawings, or other descriptive matter as will fully disclose the nature of his invention or discovery, thereby enabling one skilled in the art to which it relates to make effective practical application of the invention or discovery.

Bill H. R. 9765 proposes in effect to authorize the patenting of certain distinguishable forms of plants which are capable of reproduction and multiplication through the operation of physiological processes with human aid.

Page 2, lines 8 to 13, which in the bill read as follows, "*Provided*, That the words 'invented' and 'discovered' as used in this section, in regard to asexually reproduced plants, shall be interpreted to include invention and discovery in the sense of finding a thing already existing and reproducing the same as well as in the sense of creating," interpreted in the light of agricultural and horticultural experience and history, would appear to make possible the patenting of the reproduction of any new and distinct variety wherever discovered, provided it meets the other specifications of the bill.

This possibility of reward would undoubtedly influence the public to be more observant of plants and thus tend to prevent the waste of many valuable new varieties which occur naturally but are now lost to mankind through neglect or lack of appreciation of their value.

As determinations of the newness of varieties could not be made solely upon the basis of descriptive matter and drawings, it is evident that the specimens, photographs, paintings, descriptions, etc., of existing plants, already available in various forms in the Department of Agriculture and elsewhere, will be of great value, increased in due time by extension of such collections of plants and data.

The effective administration of such legislation would require expert personnel, comparable in their lines with the specialists now employed by the Patent Office. The technical personnel of the Department of Agriculture, although possibly inadequate to meet future demands, would be available in making such determinations as would be necessary in carrying out the purposes of such a law.

The proposed legislation would appear to be desirable and to lend far-reaching encouragement to agriculture and benefit to the general public.

Yours very truly,

ARTHUR M. HYDE, *Secretary.*

APPENDIX B. TEXT OF BILL

[NOTE. – The following sets forth the text of the bill as it would appear with the committee amendments adopted. The italics indicate the changes to be made in the existing patent laws.]

A BILL To provide for plant patents

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 4884 and 4886 of the Revised Statutes, as amended (U.S.C., title 35, secs. 40 and 31), are amended to read as follows:

"SEC. 4884. Every patent shall contain a short title or description of the invention or discovery, correctly indicating its nature and design, and a grant to the patentee, his heirs or assigns, for the term of seventeen years, of the exclusive right to make, use, and vend the invention or discovery (*including in the case of a plant patent the exclusive right to asexually reproduce the plant)* throughout the United States and the Territories thereof, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof.

"SEC. 4886. Any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvements thereof, *or who has invented or discovered and asexually reproduced any distinct and new variety of plant other than a tuber-propagated plant,* not known or used by others in this country, before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, or more than two years prior to his application, and not in public use or on sale in this country for more than two years prior to his application, unless the same is proved to have been abandoned, may,

upon payment of the fees required by law, and other due proceeding had, obtain a patent therefor."

SEC. 2. Section 4888 of the Revised Statutes, as amended (U.S.C., title 35, sec. 33), is amended by adding at the end thereof the following sentence: *"No plant patent shall be declared invalid on the ground of noncompliance with this section if the description is made as complete as is reasonably possible."*

SEC. 3. The first sentence of section 4892 of the Revised Statutes, as amended (U.S.C., title 35, sec. 35), is amended to read as follows:

"SEC. 4892. The applicant shall make oath that he does verily believe himself to be the original and first inventor or discoverer of the art, machine, manufacture, composition, or improvement, *or of the variety of plant,* for which he solicits a patent; that he does not know and does not believe that the same was ever before known or used; and shall state of what country he is a citizen."

SEC. 4. The President may by Executive order direct the Secretary of Agriculture (1) to furnish the Commissioner of Patents such available information of the Department of Agriculture, or (2) to conduct through the appropriate bureau or division of the department such research upon special problems, or (3) to detail to the Commissioner of Patents such officers and employees of the department, as the commissioner may request for the purposes of carrying this Act into effect.

SEC. 5. Notwithstanding the foregoing provisions of this Act, no variety of plant which has been introduced to

the public prior to the approval of this Act shall be subject to patent.

SEC. 6. If any provision of this Act is declared unconstitutional or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and the application thereof to other persons or circumstances shall not be affected thereby.

Supreme Court, U.S.
FILED
MAY 23 1996

No. 95-1721

IN THE

Supreme Court of the United States

October Term, 1995

IMAZIO NURSERY, INC.,

Petitioner,

v.

COASTAL NURSERY, JESS RODRIGUES, and DONNA RODRIGUES,

Respondents.

RESPONDENTS' BRIEF IN OPPOSITION

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REASONS FOR DENYING THE WRIT

The Court should deny *certiorari* in this case for three reasons:

First, this case does not warrant this Court's review because it has always been understood that the plant patent grant contained the limitations articulated by the Federal Circuit in the decision below. As shown by their relative rarity, plant patents have not historically been often obtained or litigated in the horticulture industry.

Second, Congress is currently considering amendments to the Plant Patent Act. The legislature, and not the Court, is the appropriate place to debate the policy issues raised in the petition.

Third, the Federal Circuit – the court created by Congress to bring consistency and coherence to patent law – correctly interpreted the plant patent statute. Because the Federal Circuit's jurisdiction over patent cases is exclusive, and its interpretation is consistent with the sparse but discernible precedent of other circuit courts, the decision below cannot and does not create a conflict among circuits.

A. The petition does not raise an important question of law because the Plant Patent Act is rarely invoked.

In the 65 years since the Act became law, there have been only eight plant patent infringement cases (including this

one) that have resulted in reported decisions.[1] The decision below, issued in 1995, was the first appellate decision to directly decide the requirements for proof of plant patent infringement.

Since 1930, the United States Patent & Trademark Office ("PTO") has issued fewer than 10,000 plant patents. *See* United States Plant Patent No. 9,535 (issued April 30, 1996). A comparison with issued utility patents illustrates the relative obscurity of plant patents. In the same time period, the PTO issued over three and one half million utility patents. *Compare* United States Utilitv Patent No. 5,513,390 (issued April 30, 1996) and United States Utility Patent No.1,753,761 (issued April 8, 1930).

Plant patents are relatively rare because their scope is limited. This widespread understanding is revealed in the writings of commentators from the 1930s to the present, many of which are cited in the decision below. *See, e.g.,* Robert S. Allyn, *The First Plant Patents* at 28 (1934) ("The fact that the Commissioner of Patents has ruled that only a single claim will be permitted in these plant patents indicated that he regards the

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1 *See Imazio Nursery, Inc. v. Dania Greenhouses*, 29 U.S.P.Q.2d 1217 (N.D. Cal. 1992), *rev'd in part, vacated in part,* 69 F.3d 1560 (Fed. Cir. 1995); *Pan-American Plant Co. v. Matsui*, 433 F. Supp. 693 (N.D. Cal. 1977); *Yoder Bros., Inc. v. California-Florida Plant Corp.*, 537 F.2d 1347 (5th Cir. 1976), *cert. denied,* 429 U.S. 1094 (1977); *Nicholson v. Bailey*, 182 F. Supp. 509 (S.D. Fla. 1960); *Kim Bros. v. Hagler*, 167 F. Supp. 665 (S.D. Cal. 1958), *aff'd*, 276 F.2d 259 (9th Cir. 1960); *Armstrong Nurseries, Inc. v. Smith*, 170 F. Supp. 519 (E.D. Tex. 1958); *Bourne v. Jones*, 114 F. Supp. 413 (S.D. Fla. 1951), *aff'd,* 207 F.2d 173 (5th Cir.), *cert. denied,* 346 U.S. 897 (1953); *Cole Nursery Co. v. Youdath Perennial Gardens, Inc.*, 17 F. Supp. 159 (N.D. Ohio 1936), *dismissed,* 101 F.2d 1007 (6th Cir. 1939).

protection intended by the Statute as limited to the exact variety described."); Robert S. Allyn, *Plant Patents 1934-1943* at 12 (1944) ("[M]ost plant patents if sustained at all by the Courts will be considered as covering only plants which have been asexually reproduced from the original plant."); Peter F. Langrock, *Plant Patents--Biological Necessities in Infringement Suits*, 41 J. Pat. Off. Soc'y 787, 787 (1959) ("[T]he grant to a patentee of a plant patent is only the exclusive right to asexually reproduce the patented plant."); Edward A. Hayman, *Botanical Plant Patent Law*, 11 Clev. Marshall L. Rev. 430, 433 (1962) ("[A] plant patent only protects the clones, or in other words, the asexual progeny of a particular plant."); David B. Bernstein, *Is a Plant Patent a Form of Copyright?*, 27 IDEA 31, 35 (1986) ("The relevant court holdings have suggested that no infringement of a plant patent can occur without an actual, physical taking from the plant discovered by the patentee."); 1 Donald S. Chisum, *Patents*, § 1.05[1][d], at 271-272 (1993) ("It is generally assumed that one infringes only if the accused plant is a direct or indirect asexual reproduction of the patentee's original parent plant.")

The opinion below confirms the understanding that the scope of the plant patent is limited to the right to exclude others from asexually reproducing, using and selling the patented plant or its asexually produced progeny. In the nearly seven decades since the enactment of the Plant Patent Act, the horticultural industry of the United States has thrived on that understanding.

B. The Petitioner's policy arguments are best left to Congress, which is considering a current proposal to amend the Plant Patent Act.

To the extent the policy concerns over the present statute raised in the petition are valid, Congress, not this Court, is the proper forum in which to resolve them. *See United States v. Sotelo*, 436 U.S. 268, 279 (1978) ("However persuasive these considerations might be in a legislative forum, we as judges cannot override the specific policy judgments made by Congress in enacting the statutory provisions with which we are here concerned."); *Victory Carriers, Inc. v. Law*, 404 U.S. 202, 216 (1971) ("Claims [that laws provide inadequate benefits] are best presented in the legislative forum, not here.")

A bill is currently pending before the Subcommittee on Courts and Intellectual Property of the House Judiciary Committee, that contains changes to the language of the Plant Patent Statute.[2] In its present form, the bill retains the statutory

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[2] H.R. 3460, 104th Cong., 2d Sess., as marked up by the subcommittee on May 15, 1996, contains the following language:

> **SEC. 603. PLANT PATENTS.**
>
> (a) TUBER PROPOGATED PLANTS.–Section 161 of title 35, United States Code, is amended by striking "a tuber propagated plant or".
>
> (b) RIGHTS IN PLANT PATENTS.–The text of section 163 of title 35, United States Code, is amended to read as follows: "In the case of a plant patent, the grant to

(continued...)

language requiring "asexual reproduction" for infringement of a plant patent. However, some parties have proposed other language that would eliminate the asexual reproduction requirement in accordance with the policy preferences expressed in the petition.[3]

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[2] (...continued)

the patentee, such patentee's heirs or assigns, shall have the right to exclude others from asexually reproducing the plant, and from using, offering for sale, or selling the plant so reproduced, or any of its parts, throughout the United States, or from importing the plant so reproduced, or any parts thereof, into the United States.".

(c) EFFECTIVE DATE.--The amendments [sic--made] by subsection (a) shall apply on the date of enactment of this Act. The amendments made by subsection (b) shall apply to any plant patent issued on or after the date of enactment of this Act.

[3] One example of such a proposal is a proposed resolution currently pending in a committee of the Intellectual Property Section of the American Bar Association. The ABA resolution provides:

Proposed Resolution 1002-1

RESOLVED, that the Section of Patent, Trademark and Copyright law favors in principle its support for broadening the scope of the Plant Patent Act; and

Specifically, the Section affirms a legislative proposal to (a) amend 35 U.S.C. Section 161 by striking out the phrase "a tuber propagated plant or" and (b) amend 35 U.S.C. Section 163 to read as follows:

"In case of a plant patent, the grant to the patentee, his heirs or assigns, shall be of the right to exclude others from reproducing the plant, and from using, offering for

(continued...)

It is thus likely that Congress will directly consider whether the scope of the plant patent should be broadened in the manner asserted by petitioner. It is beyond the province of this Court to make that policy choice.

C. The Federal Circuit's interpretation of the Plant Patent Act is consistent with the interpretation of other circuits and Congress' intent.

The Court should also deny *certiorari* because the Federal Circuit's decision can not and does not conflict with the law of other circuits, and, in any event, is correct.

1. The Federal Circuit's decision can not and does not conflict with the law of other circuits.

The Federal Circuit was created in 1982 to bring uniformity and coherence to the patent laws of the United States. *See* Federal Courts Improvement Act of 1982, Pub.L. 97-164, § 402, 96 Stat. 37 (1982); *Christianson v. Colt Indus. Operating Corp.*, 486 U.S. 800, 820 (1988) (Stevens, J., concurring). The Plant Patent Act is within that court's exclusive jurisdiction. 28 U.S.C. § 1295(a)(1) (1994). By

---

[3] (...continued)
selling the plant so reproduced, or any parts thereof, throughout the United States, or from importing the plant so reproduced, or any parts thereof, into the United States."

This proposal would delete the present requirement for asexual reproduction for infringement of a plant patent.

statutory definition, no conflict can arise between a decision of the Federal Circuit and another circuit court of appeal on an issue relating to patent law. Moreover, the Federal Circuit's interpretation of the scope of a plant patent is consistent with the discernible precedent of other pre-1982 circuit courts.

Although no other circuit court had directly ruled on the scope of the plant patent in the 65 years of the Plant Patent Act, other circuit courts had implied *in dicta* that asexual reproduction of the patented plant was required to prove infringement. In *Yoder Bros., Inc. v. California-Florida Plant Corp.*, 537 F.2d 1347, 1380 (5th Cir. 1976), *cert. denied*, 429 U.S. 1094 (1977), the Fifth Circuit affirmed a finding of infringement based on the defendants' admitted taking of cuttings of the patented plant. The court noted that asexual reproduction had been described as the "very essence" of the plant patent, and that asexual reproduction is "literally the only way that a breeder can be sure that he has reproduced a plant identical in every respect to the parent." *Id.* The court thus concluded that

> If the alleged infringer could somehow prove that he had developed the plant in question independently, then he would not be liable in damages or subject to an injunction for infringement. This example illustrates the extreme extent to which asexual reproduction is the heart of the present plant patent system: the whole key to the "invention" of a new plant is the discovery of new traits *plus* the foresight and appreciation to take the step of asexual reproduction.

Id. (footnote omitted; emphasis added).

The Court of Customs and Patent Appeals also took the view that plant patent "infringers must be shown to have asexually reproduced or sold or used the plant on which the patent was granted." *In re LeGrice*, 301 F.2d 929, 944 (C.C.P.A. 1962). The CCPA, although not dealing directly with the issue of infringement, made the quoted statement in explaining the congruence with the requirement that a printed publication must be enabling to constitute a statutory bar to a plant patent under 35 U.S.C. § 102(b) (1994).

2. The Federal Circuit's statutory interpretation is correct.

The Federal Circuit's adherence to the views of other circuits and commentators is consistent with the statutory language and Congress' intent in the passage of the Plant Patent Act. The statutory language and legislative history of the Plant Patent Act establish that Congress used the words "distinct and new variety of plant" in 35 U.S.C. § 161 (1994) simply to express the requirement that the patented plant be distinct from prior known plants.

Congress did not intend that plant patents be granted on plants that were not distinct from those already known. The legislative reports emphasized that "[t]he bill authorizes the grant of a patent only in case the new variety is distinct." S. Rep. No. 315, 71st Cong., 2d Sess. at 4, Pet. App. 80 (hereinafter "Senate Report"). Thus, the statute requires that a plant must be a "distinct and new variety" before a plant patent may issue. 35 U.S.C. § 161 (1994). Congress intended that the plant patent specification describe the characteristics of the plant that distinguished it from known varieties following the "practice among botanists in making use of

verbal descriptions and photographic and other reproductions, taking some known plant as a basis of comparison." Senate Report at 4-5, Pet. App. 81. The PTO examines the application for a plant patent for novelty over the prior art based on the description in the application. PTO Manual of Patent Examination Procedure, § 1608 (Rev. 14, Nov. 1992), Fed. Cir. Appendix 2479-2480.

The legislative history does not indicate that Congress used the term "variety" in its formal taxonomical sense in section 163. Rather, the context of the use of the term in the statute and in the House and Senate Reports shows that Congress used the term in the vernacular; that is, a variety is "something differing from others of the same general kind." *Websters Ninth New Collegiate Dictionary* (1989). For example, the Senate Report evidences Congress' understanding that, in the absence of asexual reproduction, there is never more than one specimen of a "new variety":

> Whether the new variety is a hybrid, mutant or sport, there is *never more than one specimen* of it produced except through asexual reproduction. For example, without asexual reproduction there would have been but *one* true McIntosh or Greening apple tree. These varieties of apple could not have been preserved had it not been through human effort in the asexual reproduction of the two original trees. They could not have been reproduced true to the type by nature through seedlings. The bill, therefore, proposes to afford through patent protection an incentive to asexually reproduce new varieties. Many varieties of

> apples equally as valuable as the McIntosh or Greening have undoubtedly been created and disappeared beyond human power of recovery because no attempt was made to asexually reproduce the new varieties. The present bill by its patent protection proposes to give the necessary incentive to preserve new varieties.

Senate Report at 4, Pet. App. 80 (emphasis added).

If petitioner were correct that Congress used the term "variety" in its taxonomical sense, these statements in the Senate Report could not be true. There is no evidence that the drafters of the Plant Patent Act or its legislative history were experts in botanical taxonomy or that they intended to use the term "variety" in its technical sense.

Moreover, the grant of the right to exclude contained in section 163 is directed to "the plant"; it is not directed to a "variety of plant." If petitioner were correct that the right to exclude covers a range of plants within a variety, Congress would also have used the term "variety" in section 163. Congress did not do so because it intended that the right to exclude should include only asexual reproduction, use and sale of the particular patented plant.

In the absence of contrary evidence of congressional intent, words in a statute are accorded their common, ordinary meaning. *Diamond v. Chakrabarty*, 447 U.S. 303, 308 (1980); *Perrin v. United States*, 444 U.S. 37, 42 (1979). "The evident intent of Congress should not be obscured by deliberately over-refining the meaning of words where Congress has given no indication that it intended such meaning." *In re Bergy*,

596 F.2d 952, 980 n.15 (C.C.P.A. 1979), *aff'd sub nom. Diamond v. Chakrabarty*, 447 U.S. 303 (1980). Adoption of petitioner's statutory interpretation would contravene this precedent by reading into the term "variety" a technical meaning – not its ordinary meaning – where Congress did not clearly express its intent to use the technical meaning.

The reason Congress did not use the taxonomical definition of "variety" in the Plant Patent Act is apparent: in 1930, Congress did not believe that novel plants could be reproduced true-to-type by any means other than by asexual reproduction. *See Diamond v. Chakrabarty*, 447 U.S. at 313 ("[S]exually reproduced plants were not included under the 1930 Act because new varieties could not be reproduced true-to-type through seedlings. . . . By 1970, however, it was generally recognized that true-to-type reproduction was possible and that plant patent protection was therefore appropriate.") Thus, there was no reason for Congress in 1930 to have provided exclusive rights for asexual reproduction to a range of plants having a similar set of characteristics. It was not until passage of the Plant Variety Protection Act ("PVPA") in 1970 that Congress, in recognition of technological advances in plant breeding allowing true-to-type sexual reproduction, created protection for a range of plants that were part of a "novel variety" as that term is used in its botanical sense.

Congress did provide a technical taxonomical definition of "variety" in the PVPA. 7 U.S.C. § 2401 (1994). The fact that such a definition is absent from the Plant Patent Act is evidence that Congress did *not* intend that definition to apply. *See West Virginia Univ. Hosp., Inc. v. Casey*, 499 U.S. 83, 88-92 (1991) (where a term used in one statute is absent from a

second similar statute, the presumption is that Congress intended to omit the term in the second statute).

The Federal Circuit's interpretation of the plant patent infringement statute is correct. We submit that the arguments of the petitioner and the self-interested *amici curiae* that may file briefs, the Plant Patent Owners Association and the International Community of Breeders of Asexually Reproduced Ornamental and Fruit Tree Varieties, are without merit.

CONCLUSION

For the foregoing reasons, the petition for writ of *certiorari* should be denied.

Dated: May 23, 1996

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No. 95-1721

IN THE
Supreme Court of the United States
October Term 1995

IMAZIO NURSERY, INC.,
Petitioner,

v.

COASTAL NURSERY, JESS RODRIGUES, and DONNA RODRIGUES,
Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF AMICUS CURIAE NATIONAL ASSOCIATION OF PLANT PATENT OWNERS IN SUPPORT OF PETITIONER

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QUESTIONS PRESENTED

Amicus curiae National Association of Plant Patent Owners (NAPPO) adopts questions (1) and (2) presented by Petitioner Imazio:

> (1) Does the scope of protection afforded by a plant patent pursuant to 35 U.S.C. § 161 (1994) extend to all plants within a new and distinct taxonomical variety of plant or is it limited to a single plant and its genetically identical progeny?
>
> (2) Is the proper test for plant patent infringement whether the accused plant is genetically identical to the patented plant or whether the accused plant belongs to the same taxonomical variety, *i.e.*, has the same essential characteristics, as a patented plant?

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2d Sess. (1930) 7

SECONDARY AUTHORITIES

American Association of Nurserymen,
Plant Patent Directory (1989 & Supps.
1990-95) 9

Doyle C. Johnson, U.S. Greenhouse & Nursery Industry Flourishes, in Agricultural Outlook, Economic Research Service,
United States Department of Agriculture
26-28 (Sept. 1995) 9, 10

No. 95-1721

IN THE
Supreme Court of the United States
October Term 1995

IMAZIO NURSERY, INC.,
Petitioner,

v.

COASTAL NURSERY, JESS RODRIGUES, and DONNA RODRIGUES,
Respondents.

BRIEF OF AMICUS CURIAE NATIONAL ASSOCIATION OF PLANT PATENT OWNERS IN SUPPORT OF A PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

This *amicus curiae* brief is submitted to support the petition for a writ of certiorari. Both Petitioner ("Imazio") and Respondents ("Coastal") have consented in writing to the filing of this brief.

INTEREST OF THE AMICUS

NAPPO is a national trade association representing U.S. plant patent holders and others interested in breeding, selecting, and introducing new varieties of asexually reproduced plants. NAPPO presently has 72 members, comprising some of the nation's foremost breeders supplying the United States agricultural industry with new plant varieties.

NAPPO's members apply for, receive, and enforce a comparatively large number of the plant patents issued each year. Accordingly, NAPPO's members have a direct stake in the scope of protection afforded under the Plant Patent Act.

SUMMARY OF THE ARGUMENT

The Federal Circuit's decision below has significant ramifications beyond the parties involved. The decision renders a narrow interpretation of 35 U.S.C. § 163, limiting plant patent protection to exact duplication of the patented plant. This interpretation diminishes the value of plant patents, both now and in the future.

Moreover, the Federal Circuit's interpretation diminishes incentives for plant developers to cultivate new plant innovations. It also discourages developers from publicly disclosing their new plant discoveries. The result is a significant economic impact on this nation's agricultural industry, which relies on plant patent protection.

In addition, the Federal Circuit's interpretation fails to carry out Congress' intent that the Plant Patent Act place plant developers on equal footing with those obtaining patents in other industries. Plant patents would stand alone as the only type of patent for which protection does not extend beyond the exact patented embodiment.

In the coming term, this Court will consider the analogous issue of the scope of protection offered by utility patents beyond the literal language of the claims, in *Hilton Davis Chem. Co. v. Warner-Jenkinson Co.*, 62 F.3d 1512 (Fed. Cir. 1995) (*en banc*), *cert. granted*, 116 S. Ct. 1014 (1996). Because both cases concern the scope of protection afforded to a patent claim beyond its literal scope, they should be decided together.

Finally, Imazio's petition in this case presents the ideal opportunity for this Court to offer its guidance on the proper interpretation of the Plant Patent Act. There is no need to consider any of the technical aspects of the particular patent in suit.

For the reasons given herein, it is respectfully requested that the petition for writ of certiorari be granted.

REASONS FOR GRANTING THE PETITION

I. This Court Should Exercise Its Supervisory Authority Over the Federal Circuit to Ensure that the Plant Patent Act is Properly Interpreted

This Court should exercise its supervisory authority in the instant case for two reasons. First, the Federal Circuit's decision has significant ramifications beyond the parties involved. The Federal Circuit's interpretation of 35 U.S.C. § 163 substantially impacts the scope of protection afforded by a plant patent pursuant to 35 U.S.C. § 161.

Second, in the coming term this Court will consider the scope of protection afforded to a patent claim beyond the literal scope of that claim, in *Hilton Davis* (a utility patent claim interpreted). Analogously, this case concerns the scope of protection afforded beyond the exact subject matter in the plant patent claim.

Third, although the Plant Patent Act plays a significant role in the success of the United States agricultural industry, only a handful of courts have interpreted the Act, including the Federal Circuit's decision below. Further, this Court has never substantively addressed the scope of protection under the Plant Patent Act. This Court's guidance, therefore, would be of great value to those who rely on it to protect their agricultural innovations.

II. The Federal Circuit's Interpretation of the Plant Patent Act Severely Diminishes the Intended Benefits of Plant Patents

The Federal Circuit's interpretation of the Plant Patent Act diminishes incentives for developing new plant varieties. It also diminishes incentives for plant developers to publicly disclose, in patent applications, how to make their new varieties. As a result, the agricultural industry is significantly affected.

A. The Federal Circuit's Interpretation Undermines Incentives to Develop and Publicly Disclose New Plant Innovations

Congress' power to grant patents to "promote the Progress of Science and useful Arts" derives from the Constitution itself. Art. I, § 8, cl. 8. Congress carried out this mandate by enacting the patent laws, which promote progress by offering inventors exclusive rights for a limited time as an incentive for their innovation and research effort. *See Diamond v. Chakrabarty*, 447 U.S. 303, 307 (1980) (citing *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 480-81 (1974); *Universal Oil Prods. Co. v. Globe Oil & Refining Co.*, 322 U.S. 471, 484 (1944)).

This Court has also acknowledged the benefits of providing such incentives. In *Kewanee Oil*, this Court stated

that Congress intended the patent laws to "have a positive effect on society through the introduction of new products and processes of manufacture into the economy, and the emanations by way of increased employment and better lives for our citizens." 416 U.S. at 480. In *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, this Court further recognized that patents provide the "building blocks of further innovation" by "bring[ing] new designs and technologies into the public domain through disclosure." 489 U.S. 141, 151 (1989).

Until 1930, the patent laws recognized two distinct types of patents: (a) utility patents, currently codified at 35 U.S.C. § 100 *et seq.*; and (b) design patents, currently provided for at 35 U.S.C. §§ 171-173. Both types offer incentives for innovation and research efforts.

In 1930, Congress enacted the Townsend-Purnell Plant Patent Act ("the Plant Patent Act" or "the Act"). The Act's intent was to similarly provide incentives to plant breeders or discoverers to develop new plant varieties. As the Senate Committee Report to the Act stated,

> The bill . . . proposes to afford through patent protection an incentive to asexually reproduce new varieties. Many varieties of apples equally as valuable as the McIntosh or Greening have undoubtedly been created and disappeared beyond human power of recovery because no attempt was made to asexually reproduce the new varieties. The present bill by its patent protection proposes to give the necessary incentive to preserve new varieties.

S. Rep. No. 315, 71st Cong., 2d Sess. 4 (1930) ("Senate Report") (PA 80).

The Federal Circuit's decision below takes away those incentives to discover and exploit new plant variations, by severely limiting the value of plant patents. It does so by limiting the protection afforded by the plant patent and thereby allowing others to circumvent liability. To the extent that a developer cultivates a plant that achieves commercial success, others will attempt to emulate it. But under the Federal Circuit's interpretation, the Plant Patent Act provides no exclusivity against such emulations unless they are genetically identical to the patented plant itself. In other words, the infringing plants must originate from the same plant depicted in the plant patent. Without the ability to protect the plant invention against non-identical plants having the same essential characteristics as the patented plant, the patent owner obtains very little in exchange for the research efforts in cultivating, exploiting, and patenting its new variety.

Similarly, the inventor has little incentive to bring his invention into the public domain through the patent disclosure. This Court has recognized that "the ultimate goal of the patent system is to bring new designs and technologies into the public domain through disclosure." *Bonito Boats*, 489 U.S. at 151. Like the other forms of patents, attaining a plant patent requires the inventor to fully disclose his

invention.[1] The inventor must provide (1) a written description of the claimed invention, (2) the manner of making and using the invention, and (3) the best mode for carrying out the invention. 35 U.S.C. § 112 (1994).

These disclosure requirements necessitate a description of how the new variety was obtained and the conditions for its asexual propagation. For example, if the new variety was obtained by means of a sexual cross, the parents must be identified. Alternatively, if the new variety was obtained by mutagenesis, the conditions of mutation induction and plant material from which the mutant was selected must be disclosed. Consequently, the inventor provides the public with a road map which describes how to achieve the new plant variety. Publicly disclosing this information in the plant patent therefore aids competitors in achieving substantially similar plant varieties sharing the same essential characteristics as the patented plant.

Under the Federal Circuit's interpretation, the patent owner receives only limited protection in return for placing the invention into the public domain. Because of the limited reach afforded by the Federal Circuit's interpretation, the scope of protection under the plant patent statute curbs rather than promotes incentives to develop and publicly disclose new plant innovations.

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[1] Congress recognized that it is difficult to satisfy the written description requirements under 35 U.S.C. § 112 for innovations in the plant arena. As a result, 35 U.S.C. § 162 provides that a plant patent shall provide a description that is "as complete as is reasonably possible."

B. The Federal Circuit's Decision Has a Significant Economic Impact on the Agricultural Industry Beyond the Parties Involved

This nation's agricultural industry relies on the protection afforded by the Plant Patent Act. Developers of fruit varieties, such as strawberries or apples, and horticultural plants utilize plant patents to protect their innovations. More than 9500 plant patents have issued since the enactment of the Plant Patent Act. *See generally*, American Association of Nurserymen, *Plant Patent Directory* 1 (1989 & Supps. 1990-95). Since 1990, an average of 390 plant patents have been issued per year, comprising a broad array of new plant varieties. *Id.* These new varieties offer consumers the benefit of, *inter alia*, new colors, forms, flavors, growth rates and habits, pest resistance, environmental tolerance, and other desirable traits.

According to the United States Department of Agriculture, nursery and greenhouse grower cash receipts from sale of plants totaled an estimated $10.04 billion in 1994, representing nearly eleven percent of the total cash receipts for all U.S. farm crops. *Doyle C. Johnson, U.S. Greenhouse & Nursery Industry Flourishes, in Agricultural Outlook*, Economic Research Service, United States Department of Agriculture 26-28 (Sept. 1995). At the retail level, consumer expenditures for nursery and greennouse

plants were estimated by the Department of Agriculture to be $44.6 billion in 1994. *Id.* Given these numbers, even a "small" effect would have significant economic consequences.

III. The Legislative History and Purpose of the Plant Patent Act Indicates Congress' Intent to Place Plant Developers on Equal Footing With Those in Other Industries

In enacting the Plant Patent Act, Congress intended to extend patent protection to the agricultural industry as it had provided to other industries. The legislative history accompanying the Act indicates that:

> The purpose of the bill is to afford agriculture, so far as practicable, the same opportunity to participate in the benefits of the patent system as has been given industry, and thus assist in placing agriculture on a basis of economic equality with industry. The bill will remove existing discrimination between plant developers and industrial inventors.

Senate Report (PA 74-75).

That Congress meant plant patent protection to be equal to the other two forms of patents is further evident in

the Patent Act of 1952.[2] Although separate from the utility and design patent sections, the plant provisions explicitly provide that "[t]he provisions of this title relating to patents for inventions shall apply to patents for plants, except as otherwise provided." 35 U.S.C. § 161 (1994). The Federal Circuit itself recognized in the opinion below that § 161 requires applying to the plant patent sections "'all the rules, regulations, and provisions of the basic patent law,' except as otherwise provided." (PA 9) (quoting *In re LeGrice*, 301 F.2d 929, 933 (C.C.P.A. 1962)).

Unfortunately, the Federal Circuit's decision does not make plant patents equal. Plant patents would stand alone in that the scope of protection thereof would not extend to substantially similar inventions. Both design and utility patents afford protection against embodiments that are substantially similar to, though not exactly the same as, the claimed invention.

Turning to design patents, they offer protection to designs beyond that which is exactly depicted therein. This Court's own precedent established the doctrine that design patents cover competing embodiments that are either identical to or substantially the same as the patented invention. In *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528 (1871), this Court interpreted the original Design

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[2] As originally enacted, the provisions for plant patent protection were instituted as amendments to the general patent law. Rev. Stat. § 4884, as amended by Act of May 23, 1930, ch. 312, § 1, 46 Stat. 376. The Patent Act of 1952 places the plant patent provisions in 35 U.S.C. §§ 161-164 (1988). Act of July 19, 1952, ch. 950, 66 Stat. 804.

Patent Act of 1842[3] and held that a design substantially similar to the patented design may infringe:

> [I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are *substantially* the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

Id. (emphasis added). This is still the fundamental test for design patent infringement. *See Lee v. Dayton-Hudson Corp.*, 838 F.2d 1186, 1190 (Fed. Cir. 1988) (noting that in light of the *Gorham* test, "infringement can be found for designs that are not identical to the patented design").

Implicit in *Gorham* is the observation that a patent has little value if it only protects against products that are identical to the patented invention. This implication similarly applies to plant patents, *i.e.*, a plant patent has little value if only restricted to clones of the patented plant.

As for utility patents, this Court has long recognized a similar doctrine, that the scope of protection afforded to claims in utility patents can go beyond their literal scope. *Winans v. Denmead*, 56 U.S. (15 How.) 330 (1853). This Court's most recent guidance on the doctrine, rendered in the decision of *Graver Tank & Manufacturing Co. v. Linde*

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[3] Act of August 29, 1842, ch. 263, § 2, 5 Stat. 543. Presently, the design patent provisions can be found at 35 U.S.C. §§ 171-173.

Air Products Co., reemphasized the importance of providing patent protection for devices falling outside the literal words of the claims. 339 U.S. 605 (1950). In *Graver Tank*, Justice Jackson recognized that "[o]utright and forthright duplication is a dull and very rare type of infringement." *Id.* at 607. Justice Jackson further noted that to prohibit none other than literal infringement would deprive the inventor of his invention and "foster concealment rather than disclosure of inventions, which is one of the primary purposes of the patent system." *Id.*

As this Court recognized in *Graver Tank*, a patent for which protection is restricted to exact copies deprives the inventor of the full value of his invention. The policy of *Graver Tank* applies to plant patents as well. Plant developers spend significant sums to cultivate and exploit new plant varieties. To allow competitors to freely propagate substantially similar variations of a patented plant will discourage plant developers from patenting their newly found discoveries. As a result, inventors will be encouraged to conceal their inventions rather than disclosing them.

Besides *Graver Tank*, this Court has recently granted certiorari in *Hilton Davis* to address, at least in part, the extent to which utility patents provide protection against devices and processes outside the "literal" language in the patent's claims. Both *Hilton Davis* and this case concern the scope of infringement afforded beyond the subject matter of the patent claims.

Congress intended the Plant Patent Act to provide plant developers protection on equal footing with their industrial counterparts, namely, utility and design patents. As such, this Court's consideration of the scope of infringement in *Hilton Davis* may impact the proper interpretation of the Plant Patent Act. In view of the relevance of *Hilton Davis* to the questions presented in the instant case, this Court should exercise its supervisory authority to hear these two cases in the same term.

IV. The Petition Presents an Ideal Opportunity to Decide the Issue

The present case presents an ideal opportunity for deciding this fundamental issue of patent policy and statutory construction.

First, evaluating the proper scope of protection under the Plant Patent Act is the only issue raised by Petitioner and *amicus*. No evaluation of the technology in the particular patent-in-suit will be necessary.

Second, the effect on the agricultural industry is real. That industry relies on plant patents to protect rights in plant discoveries and innovations. The Federal Circuit's narrow interpretation of the Plant Patent Act affects the future value of the research monies spent within this important sector of the economy.

Evaluation of the scope of protection under the Plant Patent Act is therefore abundantly ripe for review.

CONCLUSION

This Court should grant Petitioner's request for a writ of certiorari to review the Federal Circuit's interpretation of the scope of protection under the Plant Patent Act.

Respectfully submitted,

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